Developments in the Management of Local Government

A Review and Annotated Bibliography

J.R.Nininger, V.N.MacDonald
G.Y.McDiarmid

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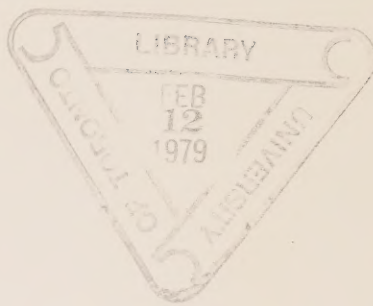*J.R.Nininger, V.N.MacDonald,
G.Y.McDiarmid*

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Preface

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The origins of this paper go back to the inception of the Local Government Management Project (LGMP) in November, 1972. The authors at that stage were in the process of studying managerial developments in the field of local government. As the investigation progressed, the ten areas of development discussed in Part I of this paper evolved, and were discussed at a number of seminars and workshops.

The Local Government Management Project moved into the implementation stage in 1974. Each of the four Project Municipalities appointed a member of its organization to act as a Project Leader. It became clear that the Project Leaders, and other individuals involved with the Project, should be familiar with basic readings on various local government management topics. Consequently, the authors prepared a number of basic bibliographies on areas in which they felt important developments in local government were occurring. These bibliographies continued to expand and evolved into the foundation of Parts II and III of this publication.

The Ontario Ministry of Treasury, Economics and Intergovernmental Affairs, Advisory Services Branch, felt that it would be beneficial if other local government officials could have the opportunity to learn more about a number of the important developments in local government, and to have a basic reference bibliography. This document is an attempt to fulfill that aim.

A number of people have been most helpful in critiquing earlier editions of this paper. In particular the authors would like to thank the four Project Leaders, Bob Rippey, Regional Municipality of Niagara, Alistair Miller, City of Ottawa, Scott Somerville, City of London, and Gene Deszca, City of St. Catharines; Bryan Isaac and Bonnie Brown of the Ministry of Treasury, Economics and Intergovernmental Affairs; Arnold Minors of the City of Toronto; Tom Plunkett and Bill Hooson of the Institute of Local Government, Queen's University; Dave Dunlop of the Ministry of State for Urban Affairs; Jack Sklofsky of the Canadian Federation of Mayors and Municipalities; Walter Tuohy of the Institute of Public Administration of Canada; and Jean Macleod, Charlie Ketcheson, Ray DeBlasi and Tony Tersigni of the LGMP staff. The authors are especially grateful to Charlie Ketcheson for the work he did in co-ordinating the publication of this paper. Special thanks are also due to Nancy Peverley and Faye Gallery for typing and retyping the various drafts of this document.

The Local Government Management Project would not have become a reality had it not been for the encouragement, hard work, and faith of Ted Gomme, Director, Advisory Services Branch, Ministry of Treasury, Economics and Intergovernmental Affairs. His continued support has been most helpful.

This document will continue to develop and evolve as more research is done and more suitable references are found. The authors would greatly appreciate hearing of any additional references which the reader feels should be included in subsequent revisions of this paper.

For those interested, the Local Government Management Project is a four year Project designed to implement a broadly conceived goal and objective setting process in four Ontario Municipalities, and to document and evaluate the implementation experiences. The Project is fully described in a *Project Overview Statement*. Appendix I of this paper describes some of the highlights of the Project and includes a form for ordering other Project publications.

J.R. Nininger
V.N. MacDonald
G.Y. McDiarmid
School of Business
Queen's University at Kingston

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Introduction

In the last decade, local government management has become a topic of prime concern to politicians, researchers, citizens and, of course, the managers themselves. The demand for more and better services, the uncontrolled growth of cities, the fiscal problems, and, in the United States, the decay of inner cities and the accompanying social unrest, has prompted a great deal of debate, research, and stop-gap measures. Along with these concerns has come the development of a number of new approaches (and some old ones in new clothing) to the management of local government.

These new approaches have varied greatly in scope and are diverse in nature. Some individuals have suggested that program budgeting, corporate planning and behavioural training are the answer to a number of local government problems. Others suggest that systems analysis and the application of various quantitative techniques could significantly improve the decision-making process. Indeed, both elected representatives and appointed officials have recently been presented with a vast array of new systems, techniques, management methods, budgetary processes, and planning schemes.

It is interesting to note that while advocates of one particular system or management technique are often unaware of other systems or processes, all of these developments seem to have the same goal — to improve the efficiency of local government in terms of more and better services per tax dollar, and to increase its effectiveness in terms of greater responsiveness to the needs and wants of the citizens.

Each of these developments involves change for the municipal organization. Change is important and is needed, but it must be carefully planned and managed. Thus there is a definite need to examine the various approaches to improving local government efficiency and effectiveness. It is important in future change programs that lessons be learned from these approaches and that those lessons be taken into account.

To accomplish this, it is necessary to view the various developments in local government in perspective — to understand their underlying directions and to gain insight into their critical interrelationships. If this understanding is obtained, future change programs will be more likely to succeed.

The thinking which went into the design of the Local Government Management Project (LGMP) took into account the lessons which could be gleaned from a number of approaches to improving the decision-making processes in both the private and public sectors, including a significant number of local government examples. It also examined these lessons in the light of the apparent strengths and weaknesses of these approaches. These approaches were studied to determine what brought about the need for the programs, to learn how the programs were introduced and integrated into the organization, and to examine their impact on the organization. This paper attempts to provide some insights into this examination.

Purposes and Outline of the Paper

The paper is divided into three main parts.

Part I

Areas of Development in the Management of Local Government (pages 13 to 42).

The purpose of this part is to briefly describe a number of approaches to improving local government decision-making which have evolved over the past few years. Ten such approaches have been identified, and each is described in short essays drawing on examples from Canada, United States, England and elsewhere.

Part II

Suggested Readings Relating to The Ten Areas of Development (pages 43 to 58).

The purpose of this part is to provide an annotated bibliography of books, reports, and articles for each of the ten areas of development so that the reader can pursue in more depth those areas which are of interest to him.

Part III

Other Selected References (pages 59 to 74).

This last part has as its purpose the provision of an annotated bibliography of suggested readings in a number of important areas bearing on the topic of change in local government management. These areas include the management of change, the change agent, and evaluation research. Part III also contains lists of local government oriented organizations (and individuals in local governments) which are involved in innovative change programs.

Who Should Read This Paper

This publication was originally developed for the Project Leaders in the four LGMP Municipalities, and other municipal and provincial officials closely associated with the Project. Since its inception, the content has been expanded and in its present form the paper is seen as being helpful to the following people.

1 Administrators involved in overseeing major organizational change programs as well as those considering the undertaking of such programs. Part I, II, and III of this paper would be relevant to this purpose.

2 Administrators, elected representatives and others who wish to further their understanding of the major directions in which changes are occurring in the management of local government. Part I of the paper would serve this purpose.

3 Others interested in becoming familiar with any or all of the areas of development in local government management described in this paper. The relevant portions will depend on the particular desires of the reader.

A Cautionary Note

This paper has been in the developmental stages for well over a year. New approaches to the management of local government, or refinements of existing approaches, have been incorporated into successive drafts of the paper. In all likelihood, additional refinements and examples will be discovered in the coming months and years. Individuals interested in specific areas are encouraged to seek out recent developments in their areas of interest. The authors will be continually updating their references and will make information available on request. Readers who are aware of references or examples which they feel should be included in future revisions of this paper are encouraged to contact the authors.

9 As has been described above, Part I of this paper consists of ten essays describing the major areas of development in the management of local government. The purpose of this Overview is to identify these areas and to describe how the various areas relate to one another. Failure to understand the interrelationships and interdependencies among the various areas has led to a lack of success in a number of local government change programs. As well, this Overview attempts to provide a perspective which interprets the various developments in the light of the political, social, economic and legal environment in which local governments operate.

The ten areas of development in the management of local government which have been identified are as follows.

1 *Goal Setting* — establishing goals for the municipality both with and without public participation. The goals can be used as part of, or separate from, the official planning process.

2 *Performance Measurement* — establishing a system to measure the efficiency and effectiveness of local government services.

3 *Management Information Systems* — developing methods of systematizing information so that it is available to the appropriate persons in a useful form, within a reasonable time.

4 *Systems Analysis* — developing and applying various rational mathematical tools such as modelling, cost-effectiveness, cost benefit analysis and simulation to local government problems.

5 *Financial Resource Management* — involving efforts to improve the allocation and control of financial resources.

6 *Organizational Development and Human Resource Management* — attempting to derive the greatest benefit from the municipality's human resources through organizational development activities, such as improving teamwork in management, and through innovations in the personnel area.

7 *Labour Relations* — developing the interface between the management of the local government and its employees. This area has gained considerable importance in the last decade.

8 *Restructuring and Reorganization* — whereas the former involves change external to the municipal structure such as regionalization, the latter refers to structural change made within the local government organization. Both approaches are aimed at improving the delivery of local government services.

9 *Community Data Base* — gathering and analyzing relevant statistical information about the municipality and its environment in order to broaden and improve the information base upon which decisions are made.

10 *The Planning Process* — extending the process from primarily physical planning to incorporate comprehensive and strategic planning for the municipality as a whole.

A Theme

A general theme becomes apparent as one examines the ten areas of development in detail. This theme is one of improving the decision-making processes in local government at all levels. Improved decision-making leads to better management. Better management leads eventually to the more effective and efficient delivery of local government services.

How do these various approaches assist in strengthening the decision-making processes? In answering this question it is helpful to look at a number of different decision-making levels in the municipality — council level, senior management group level, and various administrative levels — to indicate how, if used carefully, one or more of these developments can be of assistance in improving the decision-making processes.

Council Level

Councils are continually involved in making decisions on many matters — some with short term implications, others with implications covering time spans of ten years and longer. Often these decisions are fragmented and made in isolation from previous policies and decisions.

A number of council members have expressed the desire to place their on-going decisions in the context of an overall plan for the municipality. Such a plan would be broader and less rigid than current official plans and would deal with social factors as well as with hard services and land use. Attempts at improving the *planning process*[1] in recent years have seen the development of a process which can be described as comprehensive in nature and which involves all aspects of the corporate body of the local government (physical, social, economic). The development of a corporate or comprehensive plan can be helpful to council members by providing both overall direction and criteria for examining the implications of more immediate decisions, including potential changes in direction.

In initiating this improved *planning process*, councils may ask the planning staff (or the senior administrative group) to undertake the development of a corporate plan for council consideration. In other cases, councils may find it worthwhile to become involved in the process of *goal setting* at the council level.

Goal setting at the council level can provide meaningful input to the corporate planning process, or it can be done separately. A number of municipalities have involved the public in the *goal setting process* with apparent success. Public participation in the decision-making processes of local government is a sensitive point and these experiments provide valuable insights into its feasibility.

Crucial to the success of an improved planning process and/or a goal setting program is a well developed *community data base*. Relevant and reliable social, economic, as well as other community-wide indicators, provide a meaningful picture of the municiality, and form a strong base from which informed choices can be made as to the desired direction of the municipality.

Turning from the long term planning and decision-making process, it is of critical importance that members of council have a meaningful internal *information system* to provide them with the kinds of information (both formal and informal) necessary for making informed on-going decisions. The internal *information system* must be comprehensive in nature and designed to inform council how the organization is performing. As well, the information should be provided on a regular basis.

In recent years a number of municipalities have developed *performance measurement systems* which are designed to provide information on the performance of various municipal operations, and to reflect citizen reactions to services. Performance measures are designed to provide performance oriented data and can be used in conjunction with budget information in examining the performance of the municipality. Experience has shown that *performance measurement systems* must be developed with great care, since measuring the services of local government operations is a complex matter.

The proper functioning of the municipality from an organizational point of view is of primary concern to council. All too often problems can be traced to a misunderstanding of areas of responsibility on the part of various managers and in some cases to poor organizational structure. Responsibilities must be clearly defined and the structure of the organization must be designed to allow services to be delivered in the best possible way. To this end, municipalities are increasingly turning to *reorganization* in attempts to improve the functioning of the municipality. *Reorganization* is a very complex process of relating structure and people. Valuable lessons have emerged from a number of major *reorganization* studies.

The above discussion has attempted to indicate ways in which a number of the aforementioned areas of development can be helpful to councils as they carry out their roles as elected representatives. However, to be of value, an understanding of these approaches, their strengths and limitations is essential. Part I of this paper treats these areas in some depth and hopefully provides a starting point for this undertaking.

One final point. Of all the decision-making levels in local government, council is most affected by various environmental factors. Of particular importance are its relations to higher levels of government from which come its rights, powers and much of its financing. Thus political considerations can assume utmost importance in deliberations of council and they must not be overlooked. For example, the availability of provincial or federal conditional grants for one type of project or another may lead council to substantially different decisions than they might otherwise have made.

Clearly, then, it is important that senior levels of government fully understand the impact of conditional grants on the municipal planning and decision-making processes. Such grants can cause severe strains on the municipalities' human resources, and impair the municipalities' ability to properly manage their finances. It is equally clear that councils must examine federal and/or provincial programs in the light of their municipalities' long-term plans.

Senior Administrative Group

Much of the detailed planning, the determination of administrative policy, and the overall management of the day-to-day operations of a local government are the primary responsibilities of the senior management

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1 Words in italics refer to the ten areas of development.

group. The membership of this group and the amount of interaction between its members will vary by municipality, but will usually include the chief administrative officer and heads of the major departments. In some instances there is no chief administrative officer and the group functions as a committee of department heads.

Regardless of its structure, it is imperative that this senior management group work together effectively in carrying out council's wishes in preparing matters for council consideration, and in being accountable for the management of the municipality's resources. The effectiveness and mode of operation of this group will depend largely on the chief administrative officer where there is one, or on the willingness of the department heads to work together in those instances where there is no chief officer.

Most of the ten major areas of development described in Part I of this paper focus in one way or another on the senior management group. This group can and should play an important role in strengthening the local government *planning process* by providing guidance in the development of a comprehensive or corporate plan for the municipality. Given direction from council, the senior management group can co-ordinate the development of such a plan for council consideration. Experiments in the planning process in a variety of municipalities are providing valuable lessons.

The effective resolution of inter-departmental conflict situations is an important ingredient to the overall effectiveness of the senior management group. Of concern here is not the suppression of this conflict, which in most instances is natural and to be expected, but rather its effective management. Advances in the area of *organizational development and human resource management* can play a valuable role here. One facet of the field of *organizational development* is concerned with effectiveness of groups in organizations. Behaviourally oriented processes have been developed which can be of assistance to senior management teams in working together to make decisions. These processes, and others, can be used throughout the management structure of the municipality to improve the utilization of the organization's human resources.

The senior management group has a very important role to play in the development of the operating and capital budgets. Developments in the area of *financial resource management* have yielded essential insights into ways in which the budgetary process can be improved. One trend has been the organization of the budget on a more program-oriented basis so that areas of service rather than departmental activities can be highlighted. Budgets prepared in this fashion can encourage members of the senior management group to think in broader contexts, and in this way eliminate to a certain extent thinking constrained by departmental boundaries.

Adequate measures of performance are invaluable to a senior management group. Through an understanding of the present output of departments and across-departmental programs, the senior management group is better able to determine needs and allocate resources

for increased or decreased levels of service in the future. This knowledge contributes to more effective budget preparation and enables the administration to respond more readily and accurately to requests from council for changes in the services being supplied. An important aspect of performance measurement involves input from the public regarding their reaction to services and their needs for the future.

The many and varied decisions of top management are, of necessity, only as good as the information upon which they are based. It is the function of the municipality's *management information system* to collect, store, analyse and transmit information that is relevant, accurate, and timely. Senior management is especially dependent on the efficient and effective operation of such a system, as it leads directly into their financial resource management and planning decisions. Innovations in this area of development can be helpful to those municipalities wishing to strengthen their management capability.

The area of *labour relations* including contract administration has become an increasingly important aspect of local government. The municipality's labour policies are determined in a large part by the senior management group working with the elected representatives. This group has the difficult task of balancing the needs and demands of the employees with those of the citizens — the need to maintain and improve the level of services provided, while paying employees a competitive wage. A number of innovations in this area, designed to aid the senior management group and the elected representatives, are closely related to progress in *performance measurement* and *human resource management*.

In summary, developments in the fields outlined above, as well as in other areas, can be helpful to municipalities in the improvement and strengthening of the senior management group's role and successful function. The direction in which a local government may wish to proceed will depend on its specific needs.

In considering the various tools, systems and processes which have been developed to aid the senior management group, it is important to keep in mind the environment in which this group operates. It is the task of the senior administrators to carry out the wishes of elected representatives and to be responsive to the needs of the elected body and the citizens. The political environment may or may not permit administrators to make full use of refined methods of decision-making. Such techniques may have to be adapted to fit the particular situation. So-called 'rational' decisions may be superceded by political considerations. It is critical to remember that the management process in local government exists as part of the political process and as such must meet the needs of politicians as well as the people in the municipality.

Departmental Level

Many of the day-to-day administrative and operational decisions are made at the departmental and sub-departmental levels in local government. A number of

the areas of development described above are equally applicable to the effective management of any department, whether it is a large operating department such as public works, or an auxiliary department such as personnel.

Refinements in the departmental planning and decision-making processes can increase the effectiveness of administration. The framework for the department's goals and objectives can come from an overall comprehensive or corporate plan for the local government. In the absence of such a plan the department can establish a meaningful set of goals and objectives to guide departmental operations at all levels.

In carrying out programs to achieve departmental goals and objectives in an efficient and effective manner, co-operation, understanding and teamwork are crucial within and between departments. Consequently, training in these skills through *organizational development and human resource management techniques* can be helpful. These skills could include such things as teamwork development, delegation, motivation, performance reviewing, and coaching and counselling.

Many of the tools of *systems analysis* are designed for, or may be adapted to, the needs of the decision-maker at the departmental level. Various analytical techniques can help middle level managers schedule major projects, determine optimal stock order quantities and cycles, determine when capital equipment should be replaced, design schedules for public transportation systems, decide routes for fire trucks and optimally locate the sites for new fire and police stations within the municipality. The use of such techniques depends on an understanding of them and a good information system.

Middle and first level managers are of utmost importance in any attempt to improve management decision-making. Not only do they need effective performance and management information, but they must also supply needed information, relative to their areas of responsibility, to higher level managers. The effectiveness of these systems and their use by managers will greatly affect total performance.

Summary

Municipalities are facing difficult times — limited financial resources coupled with increasing costs make it extremely difficult to continue to provide existing levels of service. In an attempt to improve upon efficiency and effectiveness, a variety of approaches to improve local government management have been developed.

Ten such areas of development have been identified and their potential contributions have been outlined. Each of these areas is described in more detail in Part I of the paper.

Before embarking on a program of improvement in one particular area, it is important that the area be thoroughly investigated. In addition, the relationship between the area being considered and the other major areas of development should be explained and clearly understood so an overall perspective is possible.

As a final note, there is a need to recognize that the approach or approaches to change considered by a particular municipality must be examined in the light of the municipality's degree of readiness for change in the desired direction. Experience has indicated that an inaccurate assessment of the forces for and against specific change programs may cause otherwise sound programs to be ineffective. Part III of this paper provides a list of suggested readings in this area.

There is a need for broader-based, more comprehensive approaches to the improvement of local government — approaches which recognize the impact that the changes themselves will have on other aspects of management. Used with care, innovations in the various areas of development can be of assistance in improving the decision-making processes and thereby the quality of management in local government.

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1 Goal Setting

Definition

Municipal goal setting is the process whereby broad goals, usually accompanied by sub-goals and/or objectives, are established in a number of areas of importance to the municipality.

History

Implicit goal setting by and for public authorities has existed for some time in various forms such as legislation, general plans, city charters, and preambles to constitutions. Seldom until recently, however, have these goals ever been articulated and plans made with express reference to them.

The post-war era saw the widespread acceptance by the private sector of goal setting as an indispensible tool of management. It was incorporated into many new management systems and techniques, including management by objectives. Several factors were responsible for bringing goal setting to the public sector in general and local government in particular. Most notable were:

1 the report issued in the United States in 1960 by President Eisenhower's commission on 'Goals for Americans' which established goals, policies and programs for each area of national activity; and

2 the implementation in u.s. federal agencies in the mid-sixties of planning-programming-budgeting systems (PPBS), of which goal setting was an integral part.

Goal setting then spread rapidly to the local government sector in three principal forms as described below.

Types of Municipal Goal Setting

An examination of the material available in this area indicates that municipal goal setting programs fall into one of three categories depending on the desired outcome:

1 programs which seek to provide broad direction to the municipality;

2 programs which seek direct input to the official plan;

3 innovative approaches to the internal management of local government of which goal setting is an important part, such as organizational development, program budgeting, corporate planning and management by objectives (MBO).

The first two types of programs are discussed in this section. The third category of municipal goal setting programs is quite different from the first two in that such efforts are always made without direct citizen involvement, and in most cases the goal categories correspond with the program or organizational structure of the municipality. For these reasons, the approaches to local government management embraced in this third category are discussed elsewhere in the paper.[1]

Broad Municipal Direction

Since 1965 and the early successes of the innovative 'Goals for Dallas' program, a number of municipalities in North America have embarked on similar goal setting programs which involved numerous citizens and were designed to provide the community with broad guidelines for the future. These programs generally had two purposes:

1 to aid the municipality in gaining a measure of control over its future rather than developing haphazardly; and

2 to involve a substantial number of citizens in planning that future, thereby increasing citizen awareness, participation and pride in the municipality as well as generating citizen co-operation.

The goal setting process, and the actual goals resulting from this type of program, are distinguished from those of second category programs primarily because they are independent of any official planning process of the local government. Indeed, the local government is often only indirectly involved at most.

ORGANIZATION

The extent of council involvement in this type of goals program ranges from extensive to minimal. Some programs are initiated and directly administered by the mayor and council. In these instances council may determine a preliminary set of goals, then ask for feedback from the public (e.g. Barrie, Ontario, 1971)[2]. Alternatively, council may appoint a citizen goals committee to determine goals for council's approval (Abiline, Texas, 1963; Tuscon, Arizona, 1965). Goals set in this fashion have no official status but may serve as general guidelines to council for policy decisions. In most cases in which the program is council-initiated, the number of citizens involved is relatively low. San José, California's 1965-1973 goals program is an exception, having involved several thousand people.

A number of other goals programs have been initiated by groups of forward thinking citizens, usually of high stature in the community. This group may or may not include individuals connected with the local government. Whatever the case, these citizens have perceived a need to take stock of where the community is headed, to determine where people would like it to be headed (through community goal setting), then to establish

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1 Goal setting as it applies to organizational development, program budgeting, corporate planning and management by objectives is discussed in the various sections of Part I. Because of the great amount of literature on management by objectives and its general importance in the field of organizational change, a separate bibliography devoted to MBO is provided in Part III.

2 The year following the name of the municipality in this section refers to the year in which the goals program was commenced.

plans for the achievement of the latter. To accomplish this, an organization independent of the local government and privately financed is often set up (Dallas, 1965; Charlotte-Mecklenburg, North Carolina, 1973; New Orleans, 1970). In other municipalities an existing organization such as a chamber of commerce is designated to co-ordinate the program (Tulsa, Oklahoma, 1969; Lubbock, Texas, 1969).

THE GOAL SETTING PROCESS

A review of the literature indicates that while each goals program is unique, most follow several basic steps.

1 The first step in the process is to obtain an accurate picture of how things stand in the municipality. This is usually accomplished by hiring various knowledgeable individuals to research, and then describe in position papers, the current state of each of the goal areas. A typical program might have the following goal areas; government of the city, design of the city, health, welfare, transportation and communications, public safety, education, cultural activities, recreation and entertainment, the economy of the city, and the environment.

2 The second step is to establish goals in each of these areas. In many cases, a group of 50-100 citizens representing all sectors of the community is appointed to produce a preliminary set of goals based on the position papers. These goals are then taken in some manner to the citizens for their input. The more successful programs have made extensive use of the mass media and arrange meetings in each neighbourhood to discuss the goals, thus giving every citizen an opportunity to participate. Programs with restricted funds and/or less commitment on the part of the organizing group might hold only one public meeting or might publish the preliminary goals and ask the public to submit written comments.

3 Once the goals are established, another committee of selected citizens is usually organized to develop concrete plans that will aid the community in achieving the goals. Responsibility for carrying out these plans is then allocated to various agencies and organizations in the municipality. Often two-thirds or more of the goals are allocated to organizations other than the local government.

4 The goals organization works with the agencies and organizations to ensure that the plans are carried out, and provides feedback on accomplishments to the public.

5 Some of the larger goals programs begin the process again after several years, recognizing that some of the original goals may be obsolete and desiring to bring large numbers of citizens back into the planning process.

SIZE AND DURATION

Goals programs which seek to provide the municipality with broad direction vary tremendously in both size and duration, and have been carried out by municipalities both large and small. Some programs are one-time efforts involving only a small number of citizens (e.g. Barrie, Ontario) and achieving relatively little. Others are on-going and involve great numbers of people. 'Goals for Dallas' [3], for example has had participation from more than 100,000 people to date, and will celebrate eleven years of existence in 1976 with another major citizen participation campaign to revise and update its goals.

REQUIREMENTS FOR SUCCESS

Below are listed several characteristics which are common to the more successful goals programs:

1 strong committed leadership from influential, well-respected individuals;

2 involvement of all sectors of the community;

3 an on-going nature whereby the organization responsible for the program follows up on the goals to ensure that efforts are being directed toward their achievement; and

4 regular feedback to the citizenry.

Input to the Official Plan

The official plan is a statement of intent which sets out by means of maps, charts and text the policy of the local government for future growth and development. It is one of the most important municipal documents as it seeks to organize the pattern of land use in the community and all those aspects of development and redevelopment that are related to it. As such, the official plan embodies implicitly, if not explicitly, the goals and objectives of the community but often the public has no say in determining just what those goals and objectives are. Some innovative municipalities have sought to remedy this situation by organizing goals programs to enable the public to have some direct input to the official plan.

CHARACTERISTICS

Goals programs which seek input to the official plan have a number of similarities with programs of the first type.

1 They have been undertaken in both large (Metro Toronto, 1973; Minneapolis-St. Paul, 1973) and small (Maplewood, Minnesota, 1970; Cupertino, California, 1970) municipalities.

2 They have flourished since the mid-Sixties.

3 The extent of citizen participation ranges from minimal (Regional York, 1972) to extensive (Los Angeles, 1964).

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3 Two case histories describing the Goals for Dallas Program have been written by the LGMP staff and may be ordered by using the Publication Order Form located at the end of this publication. The first case *Goals for Dallas 'A'* describes the program from 1965 to 1972. The *Goals for Dallas 'B'* case traces the program from 1972 to 1974.

4 Some programs are of the 'one-shot' variety in which goals are set but then put on the shelf and all but forgotten (Toronto, 1971), while others are continuous and on-going (Austin, Texas, 1972).

There are some significant differences, however. The initiative and leadership for this type of program always comes from some segment of the local government, be it the mayor, council, or more often, the planning department. This has some important ramifications. First, council is always involved in such programs to a considerable extent – if not directly running the program, then overseeing its operations and making important policy decisions. Second, the goals set are ratified by council and are generally incorporated directly into the official plan. Third, the initiating group has the authority to implement plans and policies that will lead to the attainment of the goals. This is in contrast to the independent goals organization of the first type of program which must rely on the co-operation and goodwill of other organizations.

SECTOR PLANNING

A variation of this type of goals program called 'sector planning' has been implemented in a number of municipalities including Fort Worth, Texas (1968), London, Ontario (1974), and to a lesser extent Tulsa, Oklahoma. In sector planning, the public not only establishes goals but also makes some of the final choices concerning the actual plans for their sector of the municipality.

The various sector plans are subsequently combined to form an official plan.

Potential Benefits

Goals programs of both types may have numerous benefits. First are the intangible changes such as:

1 increased citizen awareness and pride in the community;

2 increased communication between citizens and government decision-makers; and

3 more co-operation and less duplication of effort among agencies and organizations in the municipality.

Second, because the local government generally has responsibility for a substantial portion of the goals, changes in municipal operations often occur resulting in increased effectiveness. A third type of benefit from goals programs is the kind of tangible changes brought about by efforts to achieve the goals – e.g. a new airport or recreation centre, an improved water and air pollution control system, or a reduction in overhead signs on downtown streets.

A Cautionary Note

It must be noted that goal setting programs are major undertakings. As such they require significant amounts

of resources — time, energy and money — if they are to be successful. Goal setting programs require careful planning, good timing, and a comprehensive follow through to ensure that the goals are given more than lip service. Before embarking on a goals program a municipality must determine which type would be the most suitable for its needs, then make a careful assessment of the readiness of the community and certain key individuals to proceed. If a goals program is not carefully planned, organized, and carried out with commitment, it will quickly fall into difficulty despite its good intentions, and may have no effect or even a negative effect on the municipality.

Relation to Other Areas of Development

Goal setting is central to almost all of the areas of development in local government management discussed in this paper. The effectiveness of community goals programs discussed above depend to a great extent on a well developed *community data base*. The effectiveness of a community data base and the goals established in such programs become important inputs to the *planning* and decision-making processes of the local government. A well executed internal goal setting program based on an integrated *information system* is recognized as the first step in almost all local government improvement programs – *performance measurement*, program budgeting, *organizational development*, management by objectives, etc. Thus goal setting is related in a significant way to a number of the other areas of development discussed in this paper.

Summary

There is currently a great deal of activity in the goal setting area. More municipalities every year are engaging in goals programs of one type or another. 'Citizen participation' has become an important phrase to local governments of the Seventies and community goal setting programs have been found to be an excellent means to make that phrase more than mere rhetoric.

The Citizen Involvement Network has recently been established by the staff of the Goals for Dallas program. It aims to co-ordinate the efforts of participating municipalities involved in goals programs through a computer-based information system, to fully document each program, and to make the information available to all interested municipalities.

Unfortunately, very little in the way of analytical or evaluative material has been published to date concerning municipal goal setting programs. One exception to this is the paper entitled *Goals for Albuquerque: A Study of the Goals Formulation Process* listed in Part II. It is hoped that the Citizen Involvement Network will provide this much needed evaluation.[4]

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4 The name of the person to contact for more information on this organization and municipal goal setting in general may be found in Part III-8.

2 Performance Measurement

Introduction

A primary concern of local government is the satisfaction of community needs and desires through the provision of a variety of services in the most economical way. Implicit in this concern is the need to set specific objectives and measure the performance of the local government in attempting to meet them.

The measurement of performance is a complex and difficult area. Due in part to the often difficult-to-measure nature of local government outputs, a number of problems have been experienced in attempting to set clear measureable objectives for total government units, for each functional area, and for each aspect of service. Consequently, similar problems have been experienced in trying to accurately measure progress towards the accomplishment of those objectives.

In spite of the difficulties in measuring the performance of local government services in a meaningful way, an increasing amount of attention has been devoted to ways to improve the performance measurement capabilities of municipalities.

Definition

Performance measurement is the process whereby an attempt is made to establish a quantitative link between expenditures of manpower and capital resources on one hand, and the quality and quantity of services delivered on the other, and to determine whether specific objectives have been met.

The term 'performance measurement' is used in this paper in its broadest context. It includes such aspects as the indicators themselves, the system through which the information is collected, and the uses to which the information is put. 'Performance indicators' or 'measures' refer only to the actual scale of measurement. The term 'productivity measurement', which is sometimes used interchangeably with performance measurement, refers only to workload and efficiency indicators.

Types of Performance Measures

Performance measures currently being used by local governments may be divided into three categories:

1 workload indicators;

2 efficiency indicators; and

3 effectiveness indicators.

Workload indicators are process-oriented measures which focus on output over a period of time without regard for cost or the value of the output. Included are measures such as yards of street paved per month, tons of solid waste removed per year, and numbers of welfare cases processed per day. Workload indicators are useful for comparisons with past performance and between similar units.

Efficiency indicators are similar to workload indicators but include a cost factor in terms of either constant dollars or manhours. Efficiency indicators determine how economically resources (inputs) are converted into services or results (outputs). They are not concerned with the worth or value of the output. Examples are cost per yard of street paved and tons of solid waste removed per manhour. Among other things, efficiency indicators can be helpful in making choices between municipally and privately operated services, and between new equipment and old equipment with higher manpower demands.

Effectiveness indicators assess the quality of services being delivered to the public. They are results-oriented, focusing on how well a goal or objective is accomplished without particular regard for cost.[1] Examples include percent of crimes solved, response time to fire calls, and the number of participants in a given recreation program. Such measures are useful in pointing out problems which need attention and in helping the local government to determine how effective it actually is.

History

New York City was the first major city to embark on a comprehensive performance measurement program. Its 'Productivity Program' began in the early Seventies and reported quarterly on more than 300 indicators of municipal performance. These indicators were for the most part measures of workload efficiency.

The tendency to scorn anything done in the past by New York City either because of its size or its financial difficulties should be resisted in this instance. The New York City example has been adapted and followed by a number of other American municipalities including Fairfax County, Virginia, and the four Long Island local governments involved in the Multi-Municipal Productivity Program.[2]

Several innovative municipalities have implemented more sophisticated performance measurement systems involving effectiveness as well as efficiency indicators. Palo Alto, California, Kansas City, Missouri, and the District of Columbia are examples.

Subjective Evaluation

A number of organizations, primarily in the United States, have recently been responsible for extending the

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1 Given, however, that the thrifty use of resources is almost always an objective, the efficient use of resources in the accomplishment of objectives is also a measure of effectiveness.

2 The four local governments are Nassau County, Hempstead, North Hempstead and Oyster Bay. For more information on the Multi-Municipal Productivity Program, see Part III-8 under Performance Measurement.

frontiers of performance measurement in local government in ways that were previously felt to be impossible. In the forefront are the Urban Institute, the International City Management Association (ICMA), and the National Commission on Productivity, all of which are located in Washington, D.C., the Council on Municipal Performance of New York City, and the Chartered Institute of Public Finance and Accountancy (formerly the Institute of Municipal Treasurers and Accountants) in England.

These organizations, particularly the Urban Institute, have developed a special kind of effectiveness indicator which requires subjective evaluation, by either civic employees or random samples of citizens or users.

In the former case, a civic employee would be trained to evaluate the services of several departments. For example, the specially trained inspector would spend a portion of his time evaluating the cleanliness of streets in each neighbourhood of the municipality on a scale from 'very clean' to 'very littered'. The theory behind this type of measure is that it is not the overall purpose or goal of a small public works department to pick up garbage or to sweep the streets as economically as possible. Those are only the means to an end. The overall goal is to provide clean streets. The measure suggested, plotted over time, would give council and the administration a better idea of how well this is being accomplished.

The inspector might also measure the quality of road surfaces using some scale such as a 'bumpiness' index, and evaluate traffic congestion as judged by the interval of time required, and delays encountered, in travelling between various points in the municipality along major routes. With quantified information of this kind, council could well decide that policy changes were warranted or resource allocations between departments needed modification.

Citizen surveys using random sampling allow the local government to directly measure public expectations and desires for services against actual performance. Where they are in use, the surveys are generally done annually or semi-annually and concentrate on citizen's perceptions of and experiences with individual public services. The Urban Institute's booklet *Obtaining Citizen Feedback* (1973) listed in Part II-2 is an excellent source for further information on citizen surveys. It outlines their uses and pitfalls, describes how the survey is done and provides examples.

While they are somewhat more expensive than traditional means of measurement, many people feel that subjective evaluation techniques provide the most accurate indicators of local government effectiveness. For this reason, a number of municipalities have added these techniques to their performance measurement systems. Washington, D.C. and Palo Alto, California are two, while St. Petersburg, Florida and Nashville-Davidson, Tennessee have used them in conjunction with a project sponsored and documented by the Urban Institute and the ICMA.[3]

Benefits

An effective performance measurement system can benefit the municipality in a number of ways by:

1 measuring the performance of the local government in providing services, and gauging the impact of specific programs;

2 enabling comparison with a standard between departments or even between municipalities;

3 providing valuable information to decision-makers on the relative values of allocating resources to various areas;

4 pinpointing inefficient operations, leading to change and cost savings or increased output;

5 helping to assess both the success in reaching policy objectives and the appropriateness of the objectives themselves; and

6 aiding in the development of systems of compensation based on actual changes in performance.

Citizen input from surveys or complaint bureaus is especially valuable as it can provide council and administrators with data on such things as:

1 citizen satisfaction with the quality of municipal services;

2 the extent to which municipal facilities are used and by whom;

3 reasons why specific services are liked or disliked, used or not used;

4 the demand for new or extended services; and

5 community awareness of municipal programs.

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3   Readers interested in these innovations or other aspects of performance measurement are encouraged to contact either the LGMP staff or the appropriate individuals listed in Part III-8 for further information.

Problems

Attempts to measure the output of local government, particularly the quality or effectiveness of programs, have long been hampered by the widely held belief that it just could not be done. While this notion has been substantially dispelled in recent years, a number of problems still exist in measuring local government output. The nature of the output in many instances does not lend itself to easy quantification and sometimes the results of a program are impossible to determine (e.g. the amount of damage prevented by a fire prevention program). Strict causal relationships between inputs and results may be difficult to find and do not exist in many cases. Other problems are discussed in the readings listed in Part II-2. Of particular interest is Jreisat's paper which analyzes the St. Petersburg project mentioned above, and discusses some of the difficulties encountered in implementing a comprehensive performance measurement system.

Relation to Other Areas of Development

Performance measurement has strong links with several of the other areas of development discussed in this paper. To be useful, performance indicators must be incorporated into the *information system* so that decision-makers receive the information while it is still relevant. Thus the municipality must have the capability of adding performance related information to the existing *information system*. Further, both elected representatives and administrators must be trained to use the information to assist in the management of the municipality's resources.

Performance measurement is closely linked to *financial resource management* in that it seeks to foster a more rational allocation of resources based on information describing the efficiency and effectiveness of current programs. Measurement is an essential component of both program and performance budgeting.

Finally, performance measurement has played a major role in some of the recent advances in the field of municipal *labour relations*. Attempts to tie compensation to improvements in performance would not be possible without a workable performance measurement system.

Summary

Despite the difficulties and problems, advances are being made in this field. It is an area of intense activity as many municipalities are concentrating their efforts towards developing or improving their performance measurement systems. In addition, as has been mentioned, a number of institutes and associations have been undertaking pilot projects and research studies in this area. The feeling widely held by individuals working in this field is that the first step towards improving local government is to accurately gauge its current performance. While it is by no means *the* answer to all local government problems, experience indicates that a meaningful measurement system can go a long way toward helping elected officials and administrators to perceive the impact of their programs, to identify problems and possible solutions, and to allocate resources in a more rational manner.

A case in point is the Municipal Maintenance Management System (MMMS). The MMMS is an efficiency oriented performance measurement system, conceived and developed by the Ministry of Transportation and Communication of the Province of Ontario. It is currently in operation in most of the larger Ontario municipalities. The MMMS provides workload and efficiency measures to enable analysis of the performance of the road related services of local government. It is currently being extended to several other areas of local government operations.

For reasons such as the example mentioned above, and others, it can be seen that activity in this field will continue to expand as more municipalities implement performance measurement systems. There will be a continuation of the trend away from simple workload indicators toward more complex measures of efficiency and effectiveness. Furthermore, the assessment by the public of the effectiveness of municipal services will continue to increase in importance.

Introduction

Effective decision-making at both the elected and appointed levels in municipalities requires timely, reliable and appropriate information. Elected representatives need information about community priorities, public perceptions, political implications of decisions, and the human and financial resources available. They also need cursory, well selected information from the administration so that they can quickly gain an understanding of administrative proposals and make the broad policy decisions which are required. Administrators, on the other hand, need guidance from council in terms of policies, priorities, and resources available, and on-going information regarding the status and impact of various programs from the perspective of both council and the public.

In the information area there are a number of crucial questions which have not been very well answered.

1 What do we mean by information?

2 What information do managers actually use?

3 What information do managers actually need to make the necessary decisions?

4 How can the availability of needed information be improved?

5 How can unnecessary information be removed from the system?

The answers to these questions are not as straight forward as they might appear and, in fact, misconceptions regarding the information that is actually needed and used may create a demand for information that is essentially useless to managers. The presence of such information in the system creates major difficulties in answering the last two questions.

Definition

The terms 'information' and 'information system' have been used and interpreted in many ways. Information is variously seen, for example, as a reduction of uncertainty, as a flow of communication, as a meaningful message, and as an entity or resource in itself. For the purposes of this paper, it appears easiest to agree with all of these and define information as, something which will act to reduce uncertainty for a decision-maker if it reaches him in recognizable form.

Information systems are essentially methods of developing and organizing information so it reaches the appropriate decision-maker in a recognizable and useful

form. While such systems have sometimes been presupposed to involve the use of automated processes and computer programs, these are not necessary attributes of an information system.

The design of information systems for management will include the development of many systems which provide managers with the information they need for long range planning, setting goals and objectives, reviewing performance, and making day-to-day decisions. Some of these systems may be formal, some may be largely informal and some may merely involve an improvement in the personal retrieval, development, and use of information by each manager. As such, the development of needed management information is fundamental to effective management.

Characteristics of Formal Information Systems

Formal municipal information systems must supply a number of different kinds of information to managers who will have very different needs for information, depending upon their organizational roles. Thus several interdependent and co-ordinated subsystems are needed, each corresponding to the major types of information required, e.g. financial, personnel, environmental, operational and performance. Subsystems therefore must be designed to meet defined management needs. In addition, separate systems may be necessary for different functional areas of the organization (e.g. Engineering, City Clerk) and for major distinct programs.

Within this framework there are several processes which create an on-going cycle of information handling. Information is processed from its raw state as facts and figures (data) into messages meaningful to decision-makers (information). Decisions throughout the system generate messages which are communicated to other levels where action is required. The processes which operate both to integrate the subsystems which handle different kinds of information and to create cycles of information handling include the following steps:

1 the *collection* of facts and figures necessary to the information required by decision-makers;

2 the *storage* of these data in such a way that they are easily found and brought up to date;

3 the *analysis* of data and their transformation into messages responsive to the needs of decision-makers at different levels;

4 the timely *reporting* of data and messages in the appropriate form to decision-makers at different levels; and

5 *response* from decision-makers to the information received by them.

Changing Environment

Recently, a number of factors have operated to create an urgent need for new and better types of information and information handling at the local government level. Of particular importance have been the rapid physical growth of cities and the increasing service role being assigned to local government. To respond adequately to these pressures, municipal decision-makers require not only better information in order to make more effective decisions, but also new types of information for new kinds of decisions. They are now expected to engage in long-range planning for complex urban centres and to determine social and economic policy.

Local government administrators and elected officials have also been subjected to a data explosion. They are flooded with facts and figures, reports and printouts. Some municipalities seem to have accepted the notion that obtaining more data faster means better information. The fallacy of this belief is becoming clearer, however, and the importance of distinguishing between mere data and information is beginning to be recognized. Unfortunately, the task of sorting out meaningful information and making it available to those who need it, when they need it, is a formidable one.

Recent Developments

The effect of this changing environment is that both the volume and complexity of information available to decision-makers has increased dramatically. The need to systematize management information and the way it is handled has become acute in many munipalities. A great deal of effort has been expended in the last few years in Canada, the United States, and elsewhere, to develop, improve and reassess municipal information systems, resulting in some significant achievements. Although computer capability is not fundamental to the establishment of an information system, it is interesting to note that all the publicized attempts to improve management information are computer based.

American cities have generally suffered from growing pains earlier and more severely than their Canadian counterparts. Consequently they have made greater advances in the field of municipal management informa-

tion systems. These developments may be both informative and instructive to Canadian local government officials.

Dayton, Ohio has created a problem-oriented, computer based regional information system as a basis for program planning and evaluation. Its primary function is to handle financial information on a regional basis in order to co-ordinate government services. The system relies heavily on the development and use of computer facilities for the attainment of its purpose.

Dayton has also established a Public Opinion Center to conduct surveys and gather community input about quality of services and priorities for local government. It has been successful in providing administrators and council with valuable information in many areas.

Sunnyvale, California is one of a number of American municipalities that has adopted commercially developed computer software packages for municipal management purposes. Members of the city's top management team have also been involved in establishing a computer centre for common use by several municipalities, a project based on a successful experiment in Denmark. More than twenty-five other American local governments have imitated Sunnyvale's totally integrated, computer based management information system, illustrating the present enthusiasm in the United States for technological sophistication in handling municipal information.

The u.s. Federal Government is anxious to speed up innovations in this field and, among other programs, has sponsored a major project in Baltimore and several other cities. The project involves developing on-line computer information systems within the framework of an overall management improvement program, thereby ensuring a co-ordinated attack on management problems. This is especially significant because the development of information systems has often been undertaken without meaningful regard to either user needs or the characteristics of the organization. The project recognizes the shortcomings of the piecemeal approach and attempts to overcome them.

Another important u.s. Federal Government sponsored project is the Urban Information System Interagency Committee (usac) project. It is a well documented attempt to develop integrated municipal information systems in five cities (including full implementation in Wichita Falls, Texas and Charlotte, North Carolina). This particular information system can be sufficiently standardized to allow any municipality to adopt it.

Canadian municipalities are also increasingly active in tackling the problems of handling information. They are frequently in touch with the trends in American cities and often attempt to adapt those experiences to their own use. Calgary, for example, has recently undertaken a project to introduce the USAC approach to information systems.

Toronto is another Canadian city deeply involved in information systems development. The Organization and Methods Division of the Finance Department has been actively working on developing a computer based information system for the city's administration. Toronto has utilized automated filing systems for financial records and billing for some time, and is now trying to develop the potential of computer technology for use in long-range planning and policy decisions. Toronto has also been particularly active in employing simulation systems to provide information to decision-makers.

Various other organizations and institutions in Canada are expending resources to improve municipal management information systems. Among the more active are the Canadian Federation of Mayors and Municipalities' Committee on Municipal and Regional Information Management, and the Canadian Council on Urban and Regional Research.

Relation to Other Areas of Development

On the whole, processes such as *performance measurement*, the development of a *community data base* and *systems analysis* studies generate both data and information for the use of council and administration. Other processes such as *planning, financial resource management* and *labour relations* make use of the information available. *Systems analysis* may require information as input to the development of the system or may involve better ways of using information for decision-making purposes. Management information is, therefore, linked to all areas of management improvement, and its effectiveness has an enormous influence on the effectiveness of overall local government operation.

Conclusions

There is currently a great deal of activity in this area as local governments struggle to deal with vast amounts of data and encounter new requirements for decisions. Much of the recent activity has been directed towards producing formal and generally complex, multi-purpose computer systems. Less emphasis has been placed on examining decision-making processes and the kinds of information which can best serve them. Computers are useful since they provide a tool for fast, efficient handling of large amounts of data. Local government officials must be careful, however, not to regard the computer as a panacea for all problems. It has its limitations and these must be recognized. Computer information systems must not be developed in isolation but should be integrative, based on the information needs of the users and supplemented by management education in the creation of personal systems of information.

The computer *has* shown, however, that it has a useful place in local government information systems and that place will certainly expand in years to come. Other important trends include the perfecting of specialized information systems, emphasis on quantity, accuracy and speed, standardization, and the establishment of regional information systems and data banks.

The development of systematized information is an area of great importance to local government officials. Progress in this field is important for the continuation of improvements in the local government decision-making process. Thus it is essential that both administrators and councillors remain current on innovations in this area so that they are able to estimate the relevance of the new systems to their municipality.

4 Systems Analysis

Introduction

Decision-making in the public sector is a complex process. Decisions almost invariably involve multiple conflicting objectives, numerous uncertainties, widespread long term effects, and costs and benefits accruing to various individuals and groups. It would be impossible to put all of the objective data into a computer and generate the optimal solution. Many subjective elements must be considered in the public decision-making process. However, this does not mean that methods of formal analysis cannot be of assistance. Systems analysis techniques are meant to serve as *aids* to the decision-maker, not to make his decisions for him. This section deals with these quantitative, analytical methods and their function in improving the decision-making capabilities of local government.

Definition

The term 'systems analysis', broadly interpreted, could embrace such things as the planning process and the development of management information systems. For the purposes of this paper, however, the narrower definition proposed by the ICMA will be used:

> . . . an approach to problem solving that dissects a problem in order to understand its related parts and determine the most workable solution. The process relies heavily on quantification and on the use of sophisticated analytical techniques such as models, simulation, cost-effectiveness theory, and techniques traditionally associated with operations research.[1]

The Process

Systems analysis can be of value to local government decision-makers because it identifies the factors significantly affecting a problem and its solution, determines how these factors interact and helps to measure the factors in order to assess their relative importance.

Generally, systems analysis involves eight steps.

1 A problem is recognized and the need for its solution is defined.

2 The statement of need is converted into measureable objectives which identify the actual results to be achieved.

3 The constraints limiting possible alternative solutions are identified.

4 A number of alternatives — different courses of action which would achieve the objectives to a lesser or greater extent — are generated.

5 Each alternative is analyzed in terms of probable costs and benefits, selection criteria are developed and the optimal alternative is chosen.

6 The chosen alternative is developed into a plan of action and implemented on a pilot basis.

7 The results of pilot implementation are evaluated in terms of effectiveness in reaching the objectives.

8 The evaluation report is fed back to the decision-maker who may make modifications to the plan or decide to implement it on a wider basis.

History

Many of the quantitative techniques embraced by the term systems analysis came to prominence with the rise of operational research during World War II. They soon found numerous industrial applications, tackling problems such as scheduling, routing and stock control. More recently, systems analysis techniques have been applied to strategic decision-making and long-range planning in the private sector.

It was not until the early Sixties that these techniques were applied to local government problems. The Royal Institute of Public Administration in England and the Rand Institute of California were among the pioneers in this field. Tactical problems were approached first, often ones which had direct counterparts in the private sector. Soon, however, models were being developed to aid in specific local government strategic decisions.

Since the mid-Sixties, the use of systems analysis technique by local governments has increased rapidly. They have become an accepted and integral part of the decision-making process in many places. A number of larger municipalities have institutionalized systems analysis; the Greater London Council has an Operational Research Division, while New York City works with the New York City-Rand Institute, a non-profit organization dedicated to applying analysis to urban problems. A number of institutions as well have been instrumental in expanding the bounds of systems analysis applications to local government. Among them are the Operations Research Centre at Massachusetts Institute of Technology in the United States and, in Great Britain, the Institute of Local Government of the University of Birmingham, and the Institute for Operational Research of the Tavistock Institute.

The Tools of Systems Analysis and Their Use

Many of the tools of systems analysis are based to some extent on modelling. For the purposes of systems analysis, a model is,

> . . . an explicit abstraction that represents the more significant features of an issue to be considered, identifies the variables of primary interest, proposes a structure through which the variables are related, and (usually) proposes measures of effectiveness for the comparison of alternate policies.[2]

1 International City Management Association, *Applying Systems Analysis In Urban Government: Three Case Studies*, Report prepared for the Department of Housing and Urban Development, (Washington, D.C.: International City Management Association, March, 1972), p. 1.

2 Alvin W. Drake, 'Quantitative Models in Public Administration: Some Educational Needs', *Analysis of Public Systems*, editors A.W. Drake, R.L. Keeny, and P.M. Morse (Cambridge, Massachusetts: MIT Press, 1972) p. 76.

Models may take many forms, from procedural types which outline a series of steps in a process, to highly technical mathematical programming models which explore the consequences of alternative policies in a cost/benefit or cost/effectiveness analysis situation.[3]

Some of the decision-making models that have been applied to tactical local government problems include:[4]

1 Network Analysis — includes critical path analysis or PERT, used primarily to schedule major construction work;

2 Stock Control — to determine optimal order quantities, order cycles, and buffer stocks;

3 Replacement Analysis — to determine the most economical time to replace capital equipment, especially vehicles;

4 Scheduling and Routing — to determine such things as crew schedules, bus schedules and optimal bus, ambulance and fire truck routes; and

5 Facility Location — to determine the optimal location of depots, administrative offices, police stations and fire halls.

Models are now used by local governments in strategic decision-making and planning as well. Those in use range from simple, single-variable models which forecast population, housing demand or employment, to complex, interactive models which can evaluate alternative transportation, facility location, housing, or urban and regional development policies.

The City of Toronto has experimented with modelling and simulation. Systems were designed to provide decision-makers with the direct and indirect financial and economic consequences of alternative municipal programs in measurable terms, with consideration of their probable impact on various sectors of the community. Problems arose, however, because not enough attention was paid to the actual information needs of the prospective users.

Some of the most advanced applications of models in local government strategic decision-making are in use in Great Britain. South Hampshire, for example, uses three interconnected models in strategic planning. The first forecasts population, employment and numbers of households. These are used as inputs to a second model which simulates population movements over time and the location of service employment in the various zones of the municipality. This information is then fed into a transportation model. The final output consists of a summary by zones of the distribution of population, five types of employment, housing, retail sales, car ownership, socio-economic status and land use as well

as proposed road networks and predicted traffic between zones.

The Greater London Council also has an elaborate planning model,

> . . . which concerns land use, population, development and associated costs. It consists of 10 linear programming submodels, one for each of the 9 sections into which Greater London is divided and a reconciliation submodel which brings together the results for the whole area. Each sector submodel contains about 500 constraints and 800 variables. . . . The model has been employed in a number of projects including determining the effects of different populations on the primary road programme and examining various assumptions about the desireability of preserving undeveloped land.[5]

Relationship to Other Areas of Development

Inputs for systems analysis come primarily from the *management information system,* the *performance measurement system*, and the *community data base*. Thus it is important that *information systems* be developed to the extent that the information needed for analysis be available, relevant and accurate.

The outputs of systems analysis techniques are generally inputs to other processes. In particular, many of these techniques provide information relevant to problems dealing with the *allocation of financial resources* among competing alternatives. Other applications of a strategic nature link systems analysis with the *planning process*.

Summary

It seems apparent that the applications of systems analysis techniques to local government problems will continue to expand. These techniques will be used primarily by larger local governments which have the necessary expertise.

Recently there have been a number of efforts aimed at making systems analysis more understandable to the lay person. The staff of the Tavistock Institute of England have held several seminars in Canada explaining the various techniques and describing how they may be put to use in local governments of different sizes. These seminars are oriented towards councillors and municipal administrators and tend to de-emphasize the quantitative aspect.[6]

The major limitations of such techniques are not technical but result from the difficulty of bringing technology and users together. It is helpful to have models which can shed light on complex problems, but to be of value people must be willing and capable to use them. Often, inadequate attention is paid to this aspect, resulting in less than optimal use of the technique. The importance of designing techniques to meet the actual needs of users and educating these people in the use of the techniques cannot be over emphasized.

Systems analysis techniques *are* important to local government, however, and this importance is growing. In the past, their use has resulted in large cost savings while improving efficiency and effectiveness. For this reason, the trend will continue. Every year more and more local governments will put the techniques of systems analysis to greater and more innovative use.

3 These two latter processes are similar, but cost/benefit quantifies program outputs in monetary terms while cost/effectiveness quantifies in program terms such as the number of accidents prevented or lives saved.

4 As listed in Michael J. Greenwood and Keith Howard, 'The Use of Decision-Making Models by English Local Authorities', *Local Government Studies*, February, 1974, pp. 27-37.

5 Ibid., pp. 35-36.

6 See the reference in Part II-4 to Allen Hickling's *Aids to Strategic Choice* published by the Centre for Continuing Education, University of British Columbia, Vancouver, British Columbia, 1975, (copyright 1975, Tavistock Institute of Human Relations, England).

Introduction

Financial resource management is one of the most pervasive of all local government processes, affecting policy making at all levels. It includes such aspects as the management of the municipality's revenue and debt, the planning and budgetary processes, the accounting function, purchasing and contracting, the establishment of financial controls, and in some cases the internal audit and computing functions.

The effective management of the local government's financial resources is the responsibility of all managers and elected representatives. Financial administrators, as specialists, are concerned with establishing and maintaining the proper environment for financial management, including the establishment of necessary procedures. All managers are responsible for the effective management of the financial resources under their control.

There have been a number of developments in the financial management area. One of the most significant has been in the area of planning and budgeting, specifically in the development of planning-programming-budgeting-systems (PPBS). It is this development which will be examined in this section of the paper. References as to other developments are included in the bibliography in Part II - 5.

Environment of Financial Resource Management

Local governments in Canada, as in most of the Western world, are facing increasingly severe financial problems. The problems are a function of many factors. As urbanization has increased, so have the demands for more and better services. Increasingly, local governments are being asked to take on new responsibilities while inflation cuts deeply into their purchasing power. The financial resources, primarily property tax and subsidies from higher levels of government, are not growing nearly as fast as demand, and when taxes are increased, citizen dissatisfaction may ensue.

Thus local governments are caught in a fiscal squeeze. It is essential that local governments use the resources that *are* available as efficiently and as effectively as possible and that they consider all of the available financial management tools to help them in this task.

Budgetary Reform

Traditional local government budgeting systems have been incremental and input-oriented. They have fo-

cused on how much is to be spent on this or that but have never specified exactly what the government was trying to accomplish and what the taxpayer was receiving for his money.

Major local government budgetary reforms have generally attempted to improve decision-making and enhance accountability by means of a more *rational* budgeting process. They focus on the desired *results* of local government programs through the setting of clear objectives in each major area of activity, consideration of alternative ways to reach these objectives, analysis of alternatives, selection of the optimal course of action, measurement of the results, and comparison to objectives.

Two of the early 'rational' approaches to budgeting were 'performance budgeting' and 'zero-base budgeting'. Performance budgeting was geared primarily towards developing work load and unit cost measures for various activities. It had its start in the U.S. Federal Government as early as 1949 and gained some favour with local governments in the two following decades. Because it failed to measure the *effectiveness* of programs, however, it was of limited use to policy-makers. It is seldom used alone now, but some of its characteristics have been incorporated into other budgeting systems.

Under a zero-base budgeting system, the continued existence of each program is challenged every budget cycle. No minimum funding is presumed for any activity. Instead, each administrator must justify his request for every dollar every year. Because this is a purely rational system, it has not had a successful history. Two much paperwork and time wasted rationalizing programs which *had* to be continued for political and other reasons caused its downfall. Again, some of the characteristics of zero-base budgeting have survived and have been incorporated into budgeting systems currently in use.

Some experts in this field have had strong reservations about trying to improve the budget process by making use of more rational approaches. They have felt that pure rational or even limited rational approaches are not worth the effort and subscribe to what Lindblom calls 'the science of muddling through'.[1] They point out that the 'muddling through' system of decision-making has, at times, come up with excellent solutions to problems, and is cheaper and less time consuming than the rational approaches.

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1 The 'rationality' vs. 'muddling-through' debate is an important one. The interested reader is encouraged to read several of the references listed in Part III-5 of this paper.

Planning-Programming-Budgeting

The most important innovations in the field of local government budgeting over the last decade and a half have involved planning-programming-budgeting (PPB) systems and related simplified and modified systems such as 'program budgeting'.[2]

The Greater London Council has described the PPB system as follows:

Planning — assessing the community needs, setting objectives and choosing the means of attaining them from among the available alternatives;

Programming — organizing and controlling specific courses of action in relation to the objectives they service and presenting them in a performance and resource use plan over a period of years;

Budgeting — translating planning and programming decisions into specific financial plans for a relatively short period of time (one year); and

System — integrating, checking and reviewing all planning, programming and budgeting decisions within a consistent framework of general management.[3]

Some of the major components of a PPB system are:

1 a program structure based not on departmental divisions but on the fundamental goals of the local government as set by council, and therefore generally cutting across departmental lines. A typical structure would be that of Charlotte, North Carolina's 1975 budget, composed of six program categories — community development, environmental health and protection, protection of person and property, transportation, leisure time opportunities, and policy formulation and administration;

2 a multi-year program and financial plan showing cost estimates and predicted outputs for each element of each program;

3 program analysis which systematically identifies alternative means to achieve the goals and objectives of the local government and analyzes the costs and benefits of each; and

4 a procedure to enable decision-makers to revise and update resource allocation decisions.

Benefits

In discussing the benefits of a well run PPB system the literature points out that it:

1 defines jurisdictional objectives clearly and relates them to defined needs and goals;

2 stimulates the in-depth analysis of all existing and proposed new programs in terms of their costs and benefits;

3 links the planning and budgeting process through the annual review of multiple year plans;

4 measures actual and planned performance; and

5 provides a systematic way to integrate all of these elements in order to arrive at a more effective system for the allocation and management of resources.[4]

Early History of PPB

PPB grew out of a number of concepts and techniques, developed for the most part since World War II, which had little to do with budgeting. These included operations research, systems theory and analysis, economic analysis, cybernetics, and computers. The United States Department of Defence was well grounded in these fields and in 1961 became the first organization to implement a PPB system. In August, 1965, it was introduced to all U.S. Federal agencies by Presidential order.

Two years later, the first efforts were made to apply the PPB system to local government when George Washington University's '5-5-5 Project' got underway. The project attempted to provide advisory assistance to the five cities, five urban counties and five states implementing PPB[5]. While not entirely successful, the documentation of the project was helpful to other municipalities implementing PPB on their own.

In the following several years, numerous governments at all levels invested heavily in implementing PPB systems. Many encountered difficulties which, in retrospect, could have been anticipated. Some jurisdictions moved too quickly, some moved too slowly and others acted without adequate commitment to, and understanding of the process on the part of administrators and the elected representatives. Some municipalities had trouble identifying responsibility centres, leading to confusion and disillusionment. The future benefits of the system were often oversold resulting in widespread skepticism. Analytical capability and developed information and performance measurement systems were lacking in many jurisdictions. As a result, a number of municipalities including New York City and Philadelphia, while still making use of PPB concepts, have substantially modified the system or sought out other budgetary methods.

Present Status of PPB in Local Government

Notwithstanding the difficulties of some municipalities with PPB, there have been many notable successes with the system and its offshoot, program budgeting. Municipalities that have developed the process carefully and thoughtfully have found the system to have a number of advantages.

Several British local governments have been quite successful with PPB. Substantial progress in this field has been made by the Greater London Council and the cities of Islington and Liverpool, among others. Rather than

2 'Program budgeting' is sometimes used interchangeably with PPB. For the purposes of this paper, however, it denotes a budgeting system which emphasizes a program structure but does not embrace the multi-year perspective or cost/benefit analysis of PPB.

3 Department of the Director-General, Greater London Council, *Some Questions and Their Answers on the Greater London Council's Planning-Programming-Budgeting System*, (London, England: Greater London Council, April, 1972), p. 8.

4 Adapted from Council of Planning Librarians, *Planning-Programming-Budgeting Systems*, Revised edition, Exchange Bibliography 289 (Monticello, Illinois: Council of Planning Librarians, June 1972) p. 2-3. This topic is extremely complex. The advantages and problems are many. Several of the references listed in Part II-5 attempt to focus on some of the more important considerations.

5 Three publications of the '5-5-5 Project' are listed in Part II-5.

limiting budgetary reform to improvements in the budgeting system, a number of British local governments have implemented PPB in order to introduce the authority to the corporate planning process.[6]

Dayton, Ohio, Charlotte, North Carolina, Fort Worth, Texas, and Dubuque, Iowa are four examples of American cities which have had success with PPB. There are others as well, with more local governments joining their ranks every year. In Canada, both Calgary and Edmonton have embarked on program budgeting with initial success.

A number of Ontario municipalities have undertaken a more modest type of budgetary reform aimed at making the budget more oriented towards grouping allocations by program area, and thus focussing attention on the programs. Two municipalities involved in such reform are London and Ottawa.

Each application of the PPB principles is unique. Some municipalities emphasize the development of goals, program structure and multi-year plans, others concentrate on developing objectives and output measures, and a few municipalities concentrate on analysis.

The Capital Budget

The focus of PPB systems has been primarily on the operating budget. Some of the PPB concepts, such as cost/benefit analysis, are applicable to the capital budgeting process as well, and a number of municipalities have had success in this area.

Improvements in the capital budgeting process are aimed at refining the resource allocation decision-making process. One example will suffice to illustrate such innovations.

In an effort to streamline the budget setting processes, both capital and operating, the Finance Department of the City of Ottawa has developed a 'priority rating system'. This system provides a uniform set of criteria for ranking proposed spending programs in order of priority on a city-wide basis, encompassing the entire range of municipal functions and activities.

The system operates on the assumption that priorities are, for the most part, based on two factors:

1 *priority of function*, whereby the highest priorities are assigned to the provision of basic needs such as protection to persons and property, pollution control, etc., while less essential and non-essential services are ranked farther down the list; and

2 *degree of urgency*, whereby the ranking of priorities depends on the degree of urgency for particular outlays due to such things as legislative directives, council instructions, or evidence of proven or potential hazards.

Flexibility is introduced by varying a set of relative numerical weightings of the various categories of function or urgency, or both. This facilitates any changes in the relative importance attributed to these individual elements by decisions of Council. Graphically pre-

sented, the two factors are arranged as a matrix with the priorities of function rated in consecutive numerical sequence along the horizontal axis and the degrees of urgency related numerically along the vertical axis.

Benefits of the system include a more rapid elimination of the non-essentials, a focus for co-operation between departments in the budget setting process, and a clearer, more rapid high-lighting of competing interests and the cut-off points necessitated by financial constraints.

Relation to Other Areas of Development

Financial resource management is linked particularly strongly with several other areas of development. A major characteristic of most recent local government budgetary reforms including PPB has been the attempt to strengthen the link between budgeting and *planning*. The rational approach to budgeting involves *goal setting* by council and administrators, the development of *performance measures* and the use of the tools of *systems analysis* to evaluate alternative programs. Finally, an integrated *management information system* is essential to the success of PPB or any other planning and results-oriented budgeting system.

Summary

It is obvious that the management of financial resources by the local government sector will continue to grow in importance. Consequently, greater efforts will be made in the future to make it a more efficient and effective process.

To date, notwithstanding the problems which have been experienced, the PPB concepts have been the most notable development in this endeavour. As demands for more services and accountability increase and resource allocation decisions become more difficult, the advantages of a more rational approach to budgeting will become clearer to local government administrators and elected officials. As this happens municipalities will move in the direction of budgeting by program. Local governments will move this way more cautiously than did the early converts to PPB. This cautiousness should lead to greater understanding of the process; consequently commitment to it will be higher. They will probably continue to emphasize goals, objectives and performance measures while putting less emphasis on expensive cost/benefit analysis for everyday decisions.

It is possible, even likely, that a revolutionary budgeting system will one day be devised. Whether or not this occurs, however, it seems certain that the concepts of PPB will survive. The effort to link planning with budgeting will continue. The attempt to focus on the results of local government programs rather than the inputs will persist.

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6 The corporate planning process is discussed later in Part I-10.

Introduction

This area of development encompasses attempts to improve the efficiency and effectiveness of local government by working with the people in the organization. Included in this area is a growing range of programs and activities which may be categorized as either organizational development (OD) or human resource management.

The focus of OD has been on change processes in the context of the whole organization, while the focus of human resource management has been on the individual. Recently, with the greater acceptance of the notion of a systematic, integrated approach to the management of change, the split between organizational development and management development has become less pronounced. Notwithstanding this, however, they will be discussed separately.

Organizational Development — A Definition

One of the best definitions of OD has been suggested by French and Bell. OD is,

> . . . a long range effort to improve an organization's problem solving and renewal processes, particularly through a more effective and collaborative management of organizational culture — with special emphasis on the culture of formal work teams — with the assistance of a change agent or catalyst, and the use of the theory and technology of applied behavioural science including action research.[1]

Thus OD is behaviourally oriented, embraces a wide variety of processes, techniques and tools, and takes a long time. A number of programs which are often called OD but which, strictly speaking, are not, are described by Brown as 'turnkey OD events'. They consist of

> . . . complex and careful usage of OD technology including team building and other events, by competent OD practitioners but *occurring on a one time, spot basis* without being tied into an on-going organization change commitment and process.[2] (Italics inserted by the authors.)

History of OD

Since World War II, attempts to scientifically research and document controlled organizational change have

increased dramatically. Late in the 1940's, various behaviourists began experimenting with group dynamics and laboratory training. These sessions, often called T-group or sensitivity training, were unstructured small group situations in which participants learned from their own interactions within the group.

During the 1950's and 60's, theories were expanded to encompass whole organizations as social systems and the term 'organizational development' became the accepted means of describing major behaviourally oriented organizational change programs. OD gained popularity rapidly in the private sector as practitioners like Lippitt, Reddin, and Blake and Mouton developed multi-stage change processes that could be applied to almost any organization with only minor modifications.

Characteristics of OD Programs

There are a number of different OD programs in use. These programs differ from one another in varying degrees. However, the majority of OD programs have most if not all of the following characteristics.

1 It is a planned change effort involving the whole system.

2 It is managed from the top by people committed to the process.

3 It consists essentially of three stages: i) unfreezing — stimulating recognition of the need to change; ii) changing — introducing and applying new methods and guidelines; iii) refreezing — providing the necessary reinforcement for the development of the new management system and stabilization of the organization.

4 It achieves its goals through planned intervention using behavioural science techniques to concentrate on attitudes, behaviour, values, relationships, resolution of conflicts and organization culture.

5 Much of the effort is directed toward developing work groups or teams.

6 It is a long-term process taking from two to six or more years.

7 Change agents from outside the organization usually help to organize and initiate the process, working with designated resource people inside the organization.

8 Participants set goals and objectives for their own work groups and eventually for the whole organization.

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1 Wendell L. French and Cecil H. Bell Jr., *Organizational Development*, (New Jersey: Prentice Hall Inc., 1973), p. 15.

2 Gerald F. Brown. *A Working Definition and Specification of Organization Development (OD): Framework for a Discussion*, (Kansas City: Center for Management Development, University of Missouri — Kansas City, 1974), p. 19.

Example of an OD Program

Perhaps the best way to describe organizational development is through the use of an example. The Blake-Mouton Managerial Grid Program identifies five different styles of management based on two variables, concern for production and concern for people. Each of these variables is scaled from one to nine, nine being the highest. A significant training premise is that the '9-9' management style (i.e. maximum concern for both production and people) is the most appropriate style in most situations.

The Managerial Grid Program consists of six phases:

1 *Managerial Grid Laboratory Seminar Training* — a one week seminar to familiarize managers with grid concepts and get them to question their own managerial styles;

2 *Team Development* — also a one week training seminar away from the job environment, to develop the learning of the first phase in the context of on-the-job work teams;

3 *Horizontal and Vertical Intergroup Linking* — to improve intergroup problem-solving capabilities;

4 *Setting Organizational Improvement Goals* — integrated goal setting and strategy determination at all levels of the organization;

5 *Implementing Planned Change by Attaining Established Goals* — accomplished by both innovative approaches by managers striving to reach their own goals, and task forces which deal with specific problems and strive for specific goals; and

6 *Stabilization* — to support and reinforce what is accomplished in the first five phases.

OD in Municipalities

Until recently, only a few attempts have been made at initiating OD programs in the public sector and even fewer at the local government level. Lately, however, a number of municipal governments have turned to OD either alone or in conjunction with other innovative practices. These local governments feel the need to improve their organizational effectiveness and see OD as one way to do it.

One organization that has promoted the advancement of this field in the local government sector is the Tavistock Institute in London, England. Another is the National Training and Development Center for State and Local Government (NTDS) in Washington, D.C., whose stated goal is to improve the effectiveness of state and local agencies through on-going training and development, concentrating on a change process called 'action training and research'. The NTDS has been active in promoting quasi-OD pograms in a number of small to medium sized municipalities in the United States.

Full scale municipal OD programs are currently underway in a number of municipalities. One important project of this nature is SIGN, the Suburban Intergovernmental Network for Management Development, which involves five suburban municipalities in Missouri and is being co-ordinated by the Center for Management Development of the University of Missouri-Kansas City. The City of Thunder Bay, Ontario was deeply involved in an OD process based upon the Blake-Mouton Managerial Grid for several years in the early Seventies.[3]

OD — Some Considerations

Experience indicates that municipal OD programs are both feasible and worthwhile. The very nature of local government, however, includes some characteristics which present special difficulties for an OD program such as the following:

1 occasional sudden and wholesale changes in leadership are common;

2 progress towards goals and objectives can be difficult to measure;

3 the program itself can easily become a political issue and can be destroyed by one or two elected members in some cases;

4 decisions and policies are highly visible and subject to public criticism; and

5 when decisions have political implications, it may seem that truth and openness are impossible.

Benefits of OD

Local government officials must, therefore, proceed carefully and thoughtfully when attempting to initiate an OD program. If care is taken, a number of benefits will be seen to result. These include:

1 creating an open, problem-solving climate throughout the organization;

2 supplementing the authority associated with role or status with the authority of knowledge and competence;

3 locating decision-making and problem-solving responsibilities as close to the information sources as possible;

4 building trust among individuals and groups throughout the organization;

5 making competition more relevant to work goals and maximizing collaborative working;

6 developing reward systems which recognize achievement of the organization's objectives simultaneously with individual growth and development;

7 increasing the 'ownership' of the organization's goals and objectives throughout the work force; and

8 increasing opportunities for self-control and self-direction for those within the organizations.[4]

3 The Local Government Management Project staff have documented the Thunder Bay experience with organizational development. This documentation is described in two case studies. The Thunder Bay 'A' case describes the introduction of the program from its inception in 1972 through 1973. The Thunder Bay 'B' case describes the program from 1973 to 1974 and reviews an evaluation session conducted two years into the training to assess the work of the program. These two cases and a technical paper on organizational development in municipalities are forthcoming publications of the LGMP.

4 These benefits were identified by H.S. Gill in 'Behavioural Science and the Bains Report'. *Local Government Studies*, October 1973, p. 41.

Management Development

Management development has the aim of improving the skills, knowledge and hopefully the performance of managers. It can be split into three areas — management education, management training and manager development. Management education seeks to provide functional and background information in both administrative and human resources skills. Management training attempts to provide both practical and interpersonal skills. Manager development includes coaching by the individual's superior and planned efforts to broaden his experience base such as delegation of responsibilities, job rotation, and multi-departmental projects.

In the past, management development in local government has been carried on somewhat haphazardly. Individuals have been sent on short courses as particular needs are identified, but generally there has not been a systematic approach. An important current trend in this field is toward a more systematic approach in which,

> . . . any course attended, or programme of training undergone be carefully selected to help in satisfying an identified need as part of the individual's development programme. It becomes axiomatic, therefore that feedback will be sought on the extent to which any course has met the identified need. . . . The most important part of the development activity is that which takes place within the organization. The training that the individual undergoes must be related to the job in which he finds himself on his return to the organization.[5]

While this trend is important, recent surveys indicate that it is not yet widespread.[6] Thus there is a need for local governments to devise management development programs that are based on a sound identification of needs, a good selection of development activities, and a meaningful assessment of the value of the training.

Other Personnel Functions

Local government personnel departments are usually responsible for staff input and administration of a number of functions such as manpower planning, recruitment and selection, performance review, compensation, career planning and employee relations. These, in concert, have the aim of maximizing the utilization of the human resources available. Some of these areas have not been developed to any extent and litle work has been done in analyzing or evaluating the state of the art and in creating new approaches. A recent study of the personnel function in Canadian local government[7] indicates some of the deficiencies of personnel departments and suggests ways in which they can play more of a leadership role in fully utilizing the human resources of the local government.

Relation to Other Areas of Development

This area of development is closely related to a number of other areas particularly *performance measurement, financial resource management,* and the *planning process*. The introduction of any type of change program has important behavioural implications. The change must be carefully conceived, executed, and followed-up. Management development activities can be of valuable assistance in facilitating change programs.

Labour relations is an important part of employer-employee relations in local government today. It is treated separately in this paper because of all personnel functions of local government, labour relations has received the greatest amount of attention in recent years.

Local government officials, both elected and appointed are increasingly coming to the realization that their most important assets are their human resources and that the management of these resources is one of their most critical tasks. As more and more municipal officials accept this view, greater efforts will be made to develop more effective local government.

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5 Charles Foley, 'Improving Organizational Performance — Some Thoughts on the Role of Management Development'. *Local Government Studies,* January, 1973, p. 38.

6 *Ibid.*

7 Arnold Minors, V.N. MacDonald and J.R. Nininger. *A Study of the Personnel Function in Canadian Municipalities.* Prepared for the Ministry of State for Urban Affairs, Ottawa, 1975.

7 Labour Relations

Introduction

Labour relations is that very important area of interface between the employees of the municipality and its management. It is a field that has moved in the last fifteen years from a position of relatively minor importance to one of major importance to local government. Because large numbers of employees are unionized in most municipalities and because these unions are now truly beginning to feel their strength in Canada, an understanding of developments in the field of labour relations is important to all local government managers. The readings listed in Part II-7 seek to give the reader exposure to some of the innovative collective bargaining, performance appraisal and incentive systems and techniques currently in use in North America.

History

Public sector unions have had a long history in Canada in comparison to the United States where they have been permitted, for the most part, only since 1963. In Canada, municipalities have always been considered 'employers' under the Labour Relations Act. Thus their 'employees' have been permitted to organize. Saskatchewan was a leader in this field, particularly in the 1940's.

Nevertheless, the decade of the 1960's was one of important developments in local government labour relations. At the start of this period, municipal unions were small and their power and influence matched their size. Now, in both Canada and the United States, a greater proportion of public sector employees belong to unions than do private sector employees, (and municipal employees make up a large proportion of the public sector). It is not uncommon in a large municipal fire department, for example, for the chief and his immediate deputies to be the only employees who do not belong to the union.

Local government employees became more militant during the Sixties as well. Municipal employee unions discovered their immense power to withhold essential public services, and made heavy and sometimes exorbitant demands on the municipal budget. Devastating strikes, legal and illegal, by public transportation workers, refuse collection and disposal employees, maintenance workers, and other municipal employees abounded in the latter half of the decade and continue in the Seventies. While large American cities have been the hardest hit by such work stoppages, Canadian

municipalities have not emerged unscathed. Montreal's serious police strike of 1971, firemen's strike of 1974 and transit strikes of 1975 are vivid examples.

Municipal unions have demanded increasing participation in the decisions which affect their conditions of employment. While the exact form of that participation has varied among jurisdictions, it has tended to parallel the collective bargaining process in the private sector. Because of the uniqueness of local government as an employer and the nature of the services rendered by its employees, significant problems have been encountered in using the bargaining process in this environment. Indeed some authors have made a strong case to show that collective bargaining is *not* a suitable method to deal with municipal employees.[1] Others, of course, have offered arguments to prove the opposite.[2]

Local government management has had to act quickly in some cases to deal with this new set of circumstances. They have had to figure out how to deal fairly with the demands of the unions without compromising the interests of the taxpayers and users of services. In many cases, labour relations bureaus or departments have been established and professional negotiators hired. The report by Leggat *et al* listed in Part II-7 documents the experience of four American cities in dealing with these problems.

Recent Developments

In the past decade or so, a number of municipalities have introduced innovations in their dealings with organized employees including:

1 multi-employer bargaining;

2 productivity bargaining; and

3 other innovative incentive systems.

Multi-Employer Bargaining

Multi-employer bargaining involves the banding together of employers, in this case municipalities, to deal with unions as a common front. It has been in use for some time in the private sector but is still something of a novelty in the public sector. More and more, however, local governments are discovering advantages in facing union negotiations in concert with other jurisdictions. Toronto had a brief experience with multi-employer bargaining in 1947. More recently, Montreal, Quebec City, Hull and Vancouver have been involved with it in varying degrees. The Minneapolis-St. Paul area has had considerable experience in this field in the United States.

Vancouver's original joint bargaining agency was formed in 1967 and represented seven area municipalities. Problems arose because participating municipalities were under no legal responsibility to accept the contracts negotiated by the agency. It lost credibility when two municipalities refused to accept an agency contract, negotiating their own instead. This defect has since been rectified and all participating municipalities

1 See, for example, Wellington and Winter's book, *The Unions and the Cities*, listed in Part II-7.

2 See Stanley and Cooper's *Managing Local Government Under Union Pressure*, also listed in Part II-7.

in the Greater Vancouver Regional District must now sign an agreement binding them legally to any contract negotiated for them.

Advantages to multi-employer bargaining have included increased strength, especially when dealing with a large union such as the Canadian Union of Public Employees (CUPE), and expertise at significantly lower cost to each participating municipality than would be the case if they had attempted individually to hire equally qualified professionals.

Productivity Bargaining

Productivity bargaining involves basing pay increases to municipal employees on improvements in productivity, i.e. outputs per dollar or per man-hour. New York City was the first major city to experiment on a large scale with productivity bargaining. In December, 1970, Mayor Lindsay announced that future pay increases to municipal employees, other than cost of living adjustments, would have to be tied directly to corresponding increases in worker productivity. Due to the size of the municipal work force and various contract regulations, it was actually impossible to tie compensation directly to employee performance. What the program really amounted to during the Lindsay years was the inclusion of a clause in all collective agreements signed by the City stating that productivity was a concern of both management and union, and that management had the right to make various changes to increase productivity in exchange for compensation increases. The unions did not fight the clause; they were happy to be able to bargain about productivity. But they *did* fight tooth and nail some of the changes proposed by management such as reducing the number of policemen in each patrol car from two to one.

The program has been somewhat successful, however, in eliminating a number of productivity-defeating procedures and scheduling regulations in exchange for pay hikes. In recent years as the economic situation worsened and layoffs became strong possibilities, the unions have co-operated to a greater extent with management in their efforts to find more efficient systems and methods for municipal operations.

Other local governments have followed New York's example by making productivity an issue at the bargaining table. By giving employees a financial interest in the efficient operation of the local government, they have sought to increase motivation and improve employee performance.

Thus there have been some notable advances in this area, and more innovative projects are being documented. An essential ingredient of effective productivity bargaining, however, is an ability to accurately measure the performance of local government employees. The difficulties inherent in this have been discussed in Part I-2.

Consequently, while we will continue to see some advances in productivity bargaining, it is not clear at this time that this area will move ahead quickly.

Other Innovative Incentive Systems

Other innovative incentive systems currently in use run the gamut from contests and competitions to performance bonuses, job enlargement and shared savings. Several local governments have been able to tie performance of departments directly to pay increases through incentive plans. Police in Orange, California, for example, receive pay increases if certain types of crime are reduced below specified levels, while refuse collectors in Flint, Michigan receive bonuses if they generate savings by improving productivity. These particular incentive plans are described in detail in Greiner's report listed in Part II-7.

Relation to Other Areas of Development

Many of the recent advances in the field of local government labour relations have been closely tied to *performance measurement*. A good indicator system is essential to the success of any attempt to tie compensation to performance.

Financial resource management has a strong link to labour relations as personnel represent the single most expensive item in the local government budget. Labour relations is also closely connected to *human resource management*. Many of its elements such as recruitment and selection, employee development, performance review and compensation have a direct impact on labour relations. Finally, a number of the more sophisticated local government labour relations systems have made extensive use of the municipality's *information system*.

Summary

The area of labour relations is a difficult one for Canadian municipalities. Often they find themselves far behind labour when it comes to having an efficient organization for collective bargaining and possessing relevant information at their finger tips. They often lack the required data base to deal with the unions effectively.

One reason for this situation is that labour relations has, in the past, been perceived by local government officials as a low priority area. It has typically been treated as an isolated part of the personnel function. Its strong and necessary links to performance measurement, human and financial resource management, planning, and information systems have long been ignored, making labour relations one of the weakest aspects of local government. Increasingly, however, local governments have been looking for ways to improve employee motivation, morale and job satisfaction as well as performance. A variety of performance oriented incentive plans have been developed and are currently being tried in a number of jurisdictions.

Local governments have been learning to deal more effectively with employee unions. Unions will continue to demand a greater share of the public purse and a greater amount of political power. Municipal officials must be able to deal with these demands in a manner that will not diminish from their efforts to meet the needs of other segments of the municipality.

Introduction

There are many instances today where local government is being 'reformed' to be better able to meet the problems which municipalities of all sizes are encountering all over the world. This is certainly one of the major areas of activity in the widespread efforts to improve the efficiency and effectiveness of local government. The local government reform movement has taken two directions — restructuring and reorganization. Some confusion exists over definitions; for the purposes of this paper, however, restructuring refers to structural changes external to the municipality, while reorganization refers to structural changes within the municipal organization.

Restructuring

In the local government context restructuring generally refers to the establishment of either regional government or metropolitan government. The difference between the two is primarily one of geography. Regionalization usually occurs in areas which have substantial rural proportions. Metropolitan governments are formed in areas dominated by a large urban centre surrounded by a number of suburbs and with little or no rural area.

In both of these types of restructuring a new level of government comes into being. This new level of government, referred to in Ontario as an 'upper tier' municipality, takes over a number of major functions, seeking to effect economies of scale. This leaves the 'lower tier' municipalities with somewhat fewer functions. A typical division of responsibilities between 'upper tier' and 'lower tier' municipalities would be as follows.

Upper Tier Level of Government

1 overall planning and determination of pattern of development
2 supply, purification and distribution of water
3 sewage treatment and trunk sewers
4 main roads and their storm sewers
5 traffic lights, traffic control
6 transportation studies
7 police services
8 disposal of garbage
9 emergency measures organization
10 health and welfare services — homes for the aged
11 conservation
12 borrowing money for capital expenditures

Lower Tier Level of Government

1 local planning and zoning (neighbourhood design and quality)
2 local storm sewers
3 collection of garbage
4 public utilities (hydro)
5 local streets and sidewalks (except where they intersect regional roads)
6 local transit services
7 libraries
8 fire protection
9 local parks and recreational services
10 collection of taxes

The Province of Ontario has had extensive experience in regional government, with ten currently in operation, while Quebec City, Montreal, Toronto, Winnipeg and Vancouver have all instituted forms of metropolitan government. The Greater London Council in England is another example of a metropolitan type government. A number of other jurisdictions in the u.s., Great Britain and many other countries such as France, Sweden and the Netherlands have also been involved in local government restructuring.

The purported aim of local government restructuring is an ambitious, perhaps unrealistic one: to minimize jurisdictional overlapping, excessive red tape and critical fiscal inequities between cities and towns; and to improve the generally fragmented approach to the area-wide problems that characterizes urban growth in Western society. Problems arise, however, because in most cases, restructuring is imposed on local governments by a senior level of government. In many of these there has been inadequate consideration of the needs of the citizens, local politicians, and municipal administrators giving rise to resistance to the change and lack of co-operation and commitment.

Few studies have been undertaken to evaluate the effectiveness of the restructuring of local government. In Ontario, two regional review studies are currently in process. The studies, one in the Regional Municipality of Ottawa-Carleton and the other in the Regional Municipality of Niagara, have been commissioned by the Provincial Government and seek to examine, evaluate and make recommendations on the structure, organization and operations of the two regional governments.

The above discussion has concentrated on two major types of local government reform — regional and metropolitan governments. There have been other smaller scale approaches to local government reform as well. One such example is reform at the county level of government.

The readings listed in Part II-8 provide further insights into various approaches to local government reform. Some of the references deal with various aspects of evaluating the effectiveness of such reform.

Reorganization

There are many different types of organizational structures in municipalities at both the political and administrative levels. The Hickey Report[1] described the five principal systems used in Ontario as:

1 the council — no committee (of council) — no CAO (Chief Administrative Officer) system;

2 the council — one or more committees — no CAO system;

3 the council — no or very few committees — a CAO system; and

4 the council — board of control — committees — no CAO system; and

5 the council — chairman — executive committee — committees — no CAO system.

Hickey also discussed a number of other organizational structures including Quebec's council-manager and council-mayor-executive committee — CAO systems, Western Canada's Council-Commissioner systems, and the council weak mayor, council-strong mayor, council-manager, and council-CAO systems used in the United States.

There is probably no one best type of organization structure, even for a particular municipality. The structure in each municipality has evolved over a period of time and has been designed and modified to suit the needs of that municipality as perceived by the local politicians and administrators. Since much of the growth of municipalities has occurred in a piecemeal fashion, so too has the organization structure. Thus there is a real need for politicians and administrators to examine various aspects of the organization structure to ensure that it is best designed to accomplish the municipality's task — the delivery of services in an efficient and effective manner.

Changes in the structure of the municipal organization occur for a variety of reasons. A number are listed below.

1 *Growth of the Municipality* — As a municipality gets larger new patterns of relating one part of the organization to another are needed.

2 *Addition of New Responsibilities* — If a municipality takes on new responsibilities, changes in structure are needed.

3 *Need for Improved Decision-Making and Communication* — Changes are made to re-align administrative responsibilities so that the decision-making and communication processes can be improved.

4 *New Individuals* — In some instances new people either at the elected or senior administrative levels may initiate change in order to fit their styles of leadership.

5 *Organizational Response* — A number of changes in structure are made to allow the municipality to better respond to the many demands placed upon it by citizens; senior levels of government, unions, elected representatives, etc.

Types of Reorganization

It is possible to classify reorganization in municipalities into three main types; political, political-administrative interface, and administrative.

There are a number of different kinds of reorganization possible at the political or elected level. These include the initiation or elimination of a board of control, changing the manner in which representatives are elected (by ward or at large), changing the manner in which the mayor is selected and changes in the committee system.

Reorganization at the political-administration interface deals with the way in which the administration communicates to the elected representatives and vice-versa. Such a reorganization might involve the creation of a 'committee of department heads' structure or involve the appointment of a chief administrative officer, who might operate as a strong city manager or take the less directive role of a city co-ordinator.

Administrative reorganization can also take many forms. Some examples would include the formation of new 'umbrella' departments to bring a number of related activities under one major department, the shifting of an organizational unit from one department to another, and the creation of various committees to improve inter-departmental co-operation. Programmed approaches to the management of ongoing municipal problems can result in restructuring to meet the demands of such programs.

Bringing About the Reorganization

There are a number of ways of initiating and carrying out a reorganization in a municipality. Three examples are the use of management consultants, undertaking the change internally, and using special purpose groups.

Management consultants are used extensively by local governments to bring about changes in structure. Consultants have the advantages of being independent and being experienced in such matters. Some disadvantages include the cost and the consultant's lack of familiarity with the organization, with the resulting tendency to be overly influenced by the people within the municipality who requested their intervention.

1 Paul Hickey, *Decision-Making Processes in Ontario's Local Governments.* (Toronto, Ont.: Ministry of Treasury, Economics and Intergovernmental Affairs, 1973).

Some types of reorganization can be carried out within the administration. Changes in structure brought about in this way are usually at lower levels although major changes may be initiated at the administrative level and approved by council.

Special purpose groups can be appointed to study the need for structural change and make appropriate recommendations. An example will serve to illustrate this approach.

The City of London, Ontario recently embarked on a two phase reorganization program. To begin Phase I, a 'Management Committee' was established, consisting of eight citizens with wide managerial experience and expertise, three local government department heads, and a resource person from The Advisory Services Branch of The Ministry of Treasury, Economics and Intergovernmental Affairs of Ontario. This committee was given the task of assisting Council in determining the most appropriate structure for the political/administrative interface in the City. It undertook an extensive study of the existing administrative structures in London and in a number of other municipalities, identified several alternatives for revised structures, and made recommendations. These recommendations, to a large degree, were accepted by council. As a result the position of Chief Administrative Officer was strengthened considerably.

Phase II, which at the time of publication of this paper has not been completed, involves reorganization at the elected level. After considerable study, the Management Committee selected several acceptable alternatives for the decision-making process, organizational structure and methods of election or appointment of the various governing bodies of the City of London. In a 'green paper', the Committee indicated what it perceived to be the advantages of each alternative then submitted their report to Council to serve as a basis for public discussion.

A Cautionary Note

All too often a change in organizational structure is seen as a solution to a set of complex problems. A revision in structure, if brought about after a careful and thorough examination, can assist in resolving some management problems. However, it is people who make the structure work and any reorganization must take the people into account. Thus, a well conceived reorganization is a blend of the most desirable structure and the individuals who must make it work.

Second, in some cases, a change in the organization structure may be seen as a solution to a problem which, upon further analysis, did not involve structure at all, but rather required management training to facilitate better operation within the existing structure. Such training helps managers to delegate, clarify roles and responsibilities, resolve conflicts in a positive way and to work together effectively to provide municipal services.

Finally, it is not enough just to announce a change in structure. Individuals, who have behaved in certain ways for long periods of time, will require assistance in learning to manage in new ways. Such assistance must be provided over a long period of time and may require active involvement by change agents until internal processes and procedures have been developed for effective operation within the new structure.

Relation to Other Areas of Development

Restructuring is generally a decision not of local government officials but of a higher level of government. For this reason, it has little direct relationship to other areas of development, although any such changes will affect the local government's operation in all areas. Areas such as *management information systems* and *financial resource management* are, of course, most affected by changes in the overall structure of the local government and its relationships with other governing bodies.

Reorganization, on the other hand, is a prerogative of municipal officials. It is often a decision generated by changes in the *planning process* and may be instigated because of perceived difficulties in the *management information system* (communications patterns). Reorganization needs input from and will be affected by the area of *organizational development and human resource management* if it is to serve its purpose of increasing employee effectiveness.

Summary

Municipalities and higher level governments have attempted to resolve some municipal problems through either external or internal restructuring or both. A number of structures have been attempted and some have been relatively successful whereas others have failed. It is evident that structure must be suited to circumstances and that many other aspects of municipal operation have a reciprocal relationship with both internal and external structure.

9 Community Data Base

Introduction

Information is essential to the municipal decision-maker. This includes not only the internally generated information concerning current operations and the performance of the local government, but also information about the community as a whole, its social and economic status, and the trends which are affecting it. Without this second type of information, local government officials work in a partial vacuum, clearly an undesirable situation, particularly in strategic long-range planning.

Thus there is a strong need to have available meaningful, accurate, and reliable statistics which indicate where the community has been, where it is now and where it is likely to be in the future. It is also essential that information on *all* aspects of the community — physical, social, economic, etc. — be integrated and available to both local government officials and decision-makers in the private sector. Too often, time and resources have been wasted in repeating research, or in going ahead with a decision or project without the benefit of all relevant information. A well planned community data base would serve the needs of all levels of government and eliminate duplication.

There are a number of approaches to obtaining the type of information necessary to the development of a community data base. Three of the more important approaches are economic potential studies, social indicators, and urban information systems.

Economic Potential Studies

Economic potential studies present statistics concerning the economic environment of a municipality in the recent past and the present. These figures are then projected ten or fifteen years to provide an indication of what will be if present trends continue. The purpose of such studies is to contribute to rational long-range planning.

In most cases, since a local government does not have the expertise to carry out economic potential studies, they are generally performed by consulting firms or academic institutes under government grant. The City of St. Catharines and the Regional Municipality of Niagara in Canada, and Dallas and New York City in the United States are but a few examples of municipalities which have undertaken such studies.

Examples

In 1968, St. Catharines engaged a consulting firm to study the economic potential of the City's central business district. The main purpose of the study was to define the opportunity that existed for the central business district of St. Catharines to become the downtown shopping centre for the entire Niagara peninsula.

To do this, data was gathered which would be of use to numerous decision-makers. The first section of the report looked at the economic base of the region, examining the rate of growth of employment and population in relation to growth in other similar-sized Ontario municipalities. Other factors influencing the level of consumer expenditure were identified and all of these statistics were projected to 1986 based on historical trends and prospects for change. The report then predicted consumer expenditures and made policy suggestions based on these predictions.

In connection with the development of its first official plan, the Regional Municipality of Niagara hired a consulting firm in 1971 to research and report on the economic base of the Region. The study reviewed the forces that had shaped the Region's economy and the prospects for population and employment growth to 1991. Detailed analysis of the available statistics was provided on such topics as natural resources, transportation, communications, manufacturing, retail trade, housing, and human resources. The final report provided the necessary framework and analytical input for the preparation of a draft official plan.

In 1973, the community goals program *Goals for Dallas* published the third edition of its 'Economic Potentials Handbook', prepared by the Institute of Urban and Environmental Studies of Southern Methodist University. The first two editions published in 1971 and 1972 studied the economy of Dallas and the major trends affecting it; the third edition expanded the scope of the study to include the entire Dallas-Fort Worth Metropolitan Area.

This study contains a wealth of past and present data and extrapolations to 1985 on a number of areas including:

1 manufacturing (by individual industry);
2 non-manufacturing industries (by individual industry);
3 population;
4 the labour force;
5 personal income;
6 gross product;
7 education; and
8 local government revenues and expenditures.

This information has been put to good use in long-range planning for the *Goals for Dallas* program.[1]

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1 Goals for Dallas is described briefly in Part I-1.

The *1973 New York City* economic potentials study referred to above was also carried out by a university organization – the Maxwell School of Citizenship and Public Affairs of Syracuse University. That report provides an example of how an economic potentials study can detect potential problems before they occur and suggest courses of action to avoid them. This study considered the demographic characteristics of New York City and focused on its economic and tax bases. The city's revenues and expenditures were projected to the end of the decade based on past data and current trends. An enormous gap was projected by 1979, and proposals to avoid it were suggested. These are the same proposals that were put forward in 1975, when the gap reached the crisis point.

Problems and Benefits

There are problems with forcasting the future through trend analysis. It is difficult to be accurate even with population projections, and analysts sometimes tend to be unduly preoccupied with current trends. Also, economic potential studies are expensive and somewhat sophisticated planning tools. Only a few municipalities have them and they are not always put to optimal use. Indeed some municipal officials are not even aware of the availability or potential use of such studies.

Despite these difficulties, when properly used, economic potential studies have been invaluable aids, not only to local government officials concerned with strategic planning, but also to other levels of government and to private individuals who must make important planning decisions based on economic trends.

Social Indicators

Social indicators are special statistics which attempt to measure some aspect of human welfare, and in the aggregate, the quality of life. A definition has been provided by McVeigh:

> Social indicators ... are measures that enable the user to (1) assess the social condition of some area or group with respect to some value or goal, and (2) evaluate the impact of public programs designed to realize that value or achieve that goal.[2]

Examples of Social Indicators

To illustrate, the following social indicators were used in a recent study which sought to compare the quality of life in ten major Canadian cities:[3]

1 *Unemployment* —
   percent of labour force unemployed;

2 *Poverty* —
   percent of individual tax returns with reported incomes less than (i) $1000, (ii) $2000;

3 *Income* —
   per capita money income;

4 *Housing* —
   (a) average housing expenditures for all families and unattached individuals,
   (b) Statistics Canada inter-city indexes of household operation retail price differentials;

5 *Health* —
   infant (under 1 year) deaths per 1,000 live births;

6 *Mental Health* —
   number of reported suicides per 100,000 population;

7 *Public Order* —
   reported robberies per 100,000 population;

8 *Community Concern* —
   percent of voting age population that voted in recent federal elections;

9 *Transportation* —
   (a) average transportation expenditures for all families and unattached individuals,
   (b) Statistics Canada inter-city indexes of transportation retail price differentials;

10 *Air Quality* —
   average yearly concentrations of three air pollution components (all suspended particulates, lead particulates and dustfall), and change in the yearly concentration of suspended particulates.

Benefits

Social indicators may be useful to municipal decision-makers and administrators in at least four ways.[4]

1 They help to fill the existing information gap which causes officials to base political decisions on inaccurate interpretations of inadequate data.

2 They serve as early warning systems, enabling the administrator to anticipate rapidly changing events such as increased pollution, population growth and social unrest.

3 They are useful in the evaluation of municipal program performance. Social indicators assess the impact of programs on their clientele not in terms of how much money was spent or how many people were involved but in terms of how the program affected the quality of life in the community.

4 They provide information needed for rational long-range planning.

Caveats

Social indicators have the potential to help local government administrators and councillors in planning and decision-making by giving quantified descriptions of very complex areas. Users, however, must be cautioned that these measures have conceptual as well as data weaknesses. The measures cannot be taken as perfect surrogates. For example, measuring the number of infant deaths in a municipality will not give a precise indication of the general health of the whole population. One must not read too much into the data because

2 Thomas McVeigh, *Social Indicators; A Bibliography,* Exchange Bibliography #215 (Monticello, Illinois: Council of Planning Librarians, September 1971), p. 10.

3 T.S. Palys, *Social Indicators of Quality of Life in Canada: A Practical/Theoretical Report* (Winnipeg: Manitoba Department of Urban Affairs, August, 1973). Palys' indicators were adapted from a similar study by Michael J. Flax entitled *A Study in Comparative Urban Indicators: Conditions in 18 Large Metropolitan Areas* (Washington, D.C.: The Urban Institute, April, 1972).

4 The framework for this paragraph was taken from a paper given by Robert Ortell at the 49th Annual Congress of Cities, Indianapolis, Indiana, November 29, 1972. The paper was entitled 'Potential Uses of Social Indicators at the Local Level'.

it is usually relatively crude and in some cases is not comparable between municipalities or over time for various reasons. Often, published figures may be interpreted in a number of ways, none of which are definitely supported or refuted by the data.

Current Status

Despite these limitations, a great deal of research is being done in the field of social indicators by individuals and organizations in Canada, the United States and all over the world. Major work is not concentrated in any one or two organizations but is widely scattered. For this reason, the Center for Co-ordination of Research on Social Indicators has been established by the Social Science Research Council of Washington, D.C. to collect, co-ordinate, and provide some order to social indicator research around the world.

Urban Information Systems

A third way in which the municipality may build up a community data base is through the development and use of an urban information system. This system could be considered to be part of the management information system but has been reported here because it is concerned with information about the municipality rather than information dealing specifically with the operation of civic departments.

Except for early efforts by Toronto as far back as 1963, computer based urban information systems are a relatively new venture for Ontario municipalities. Presently, Toronto, Hamilton, and London have such systems either operating or nearing completion. They are used primarily to provide property tax-related information. The cities of Peterborough and Sault Ste. Marie are now studying the feasibility of implementing similar systems.

In addition to tax-related information, computerized urban information systems may be created to handle a wide variety of community based statistics. One of the more comprehensive of such systems is currently being developed by the City of Ottawa. Working with a local consulting firm, Ottawa's administrative personnel are gradually implementing a system which will meet many of the data requirements and information needs of the Planning Branch of the Department of Community Development. In addition to property tax information, quantitative data which is in constant demand concerning land use, building characteristics, housing stock by type, etc. is being organized and programmed for a computer based storage and retrieval system.

Some of the obvious benefits of such a system include savings in time, costs and resources in retrieving data which was formerly handled on a manual basis. City officials also predict that the system will significantly speed up zoning changes and the updating of land use data.

More than just a storage system, the Ottawa Urban Information System will have a calculation capability as well. Utilizing off-line tape storage to handle 20 items of information for each of Ottawa's 70,000 buildings, calculations will be possible on a block, zone, census tract, neighbourhood, planning district or city-wide basis on such things as:

1 distribution of vacant land;
2 distribution of building type;
3 tenant profile; and
4 land use profile.

While under the auspices of the Planning Branch, future users will include the City Clerk's Department (property owners names and addresses), Protective Services Branch (zoning information and property characteristics), Fire Department (facility locations), Recreation and Parks and Urban Development Branches (for evaluation of impact of land use changes) and the Finance Department (taxation services and property assessment).

Targeted for an April, 1976 completion date, Ottawa's Urban Information System will benefit the City by providing more timely, accurate, and comprehensive information to the City's decision-makers.

Relation to Other Areas of Development

A well developed community data base, as has been stressed above, is essential for informed, rational long-range *planning* at the local government level. Economic potentials studies and social indicators have also been found to be invaluable in *community goal setting* programs, as they indicate where the municipality is and the direction in which it is moving. A firm knowledge of these factors is required before goals can be set and long-range plans made.

Both corporate planning (at the council level) and strategic planning for a community or region is dependent upon a good community data base. This base should also include a delineation of the specific functions and goals of the local government itself and of other appointed or elected special purpose bodies in the area.

It is important that once a community data base is established, it is made a part of the *management information system*. Unless the information is made available to the appropriate decision-makers at the right times, and these decision-makers can make intelligent use of it, the efforts and resources invested in compiling the data base will have been wasted.

Summary

The community data base represents an important and relatively new supplement to the usual information available to local government decision-makers. There is a growing amount of research being done in this field, particularly in developing social indicators and undertaking economic potential studies, in an attempt to improve the decision-making capabilities of local government administrators and elected officials. Many local governments find the revision of the official plan an appropriate time to begin development of a community data base. Of course, it must be kept up to date to retain its usefulness.

When used intelligently and in conjunction with other relevant information, social indicators and economic potential studies have been found to greatly enhance the strategic planning and decision-making processes of local government. Certainly, they have their limitations, but both administrators and elected officials continue to give them increasingly important roles to play in the management of local government.

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Introduction

One of the major functions of local government is the planning and control of the physical, social and economic development of the community. The planning process has often been limited in the past to physical growth and zoning by-laws. In recent years, however, a more comprehensive view of planning has become prevalent, resulting in the development of new planning processes and attitudes. While physical or land-use planning has made great technical strides, municipalities in North America and Britain have been developing tools for other aspects of local government such as comprehensive planning, corporate or strategic planning, corporate management and management by objectives. It is these advances with which this area of development is particularly concerned.

Comprehensive Planning

Comprehensive planning was one of the first attempts to go beyond physical planning. Originally, it sought to broaden the scope of planning by taking into consideration fiscal, economic and political factors. Official plans were developed to integrate the long-range plans of all municipal departments. Comprehensive planning has been described in the following manner.

> Comprehensive planning includes the following, to the extent that it is directly related to area needs or needs of a unit of general local government; (1) preparation, as a guide for long-range development, of general physical plans with respect to the pattern and intensity of land use and the provision of public facilities including transportation facilities; (2) programming of capital improvements based on a determination of relative urgency; (3) long-range fiscal plans for implementing such plans and programs; and (4) proposed regulatory and administrative measures which aid in achieving co-ordination of all related Plans of the departments or subdivisions of the governments concerned and intergovernmental co-ordination of related planning activities among the state and local government agencies concerned.[1]

The official plan, which has been the principal municipal planning instrument since it was introduced in Ontario in 1946, is defined in *The Planning Act* as,

> . . . a program or policy ... concerning a planning area ... , designed to secure the health, safety, convenience or welfare of the inhabitants of the area, and consisting of the texts and maps describing such program and policy approved by the Ministry . . .

In describing the official plan, other sections of the Act indicate that it should take into account all of the physical, social and economic conditions of the municipality[3] and cover such topics as communications and public services as well as physical land use.[4] Consequently, Ontario's municipal official plans, if prepared to the specifications of *The Planning Act*, go significantly beyond physical planning and may be called 'comprehensive'.

Unfortunately, such has not been the usual case. In 1973, the Ontario Economic Council reported that 'taken together, official plans have the least successful product of the municipal planning process in a qualitative sense' and that 'a disturbing percentage of municipal official plans are incomplete, inflexible, and not especially well done'. The report went on to say that,

> . . . in terms of content, no municipal plans produced to date in Ontario seriously address social or economic questions. None show any evidence that the proposals contained in the plan have been tested, in a systematic way, against the municipality's ability to implement. Physical matters usually make up the total substance of municipal official plans.[7]

Using Ontario as an example, it is clear that the municipal planning process must move toward a consideration of all aspects of the community before it may truly be termed comprehensive.

Corporate Planning and Corporate Management

Corporate planning[8] is a term used more and more, particularly in Britain, to denote a process of administ-

1   Executive Office of the President, Circular Number A-82, revised, December 18, 1967, Bureau of the Budget, Washington, D.C. Reprinted in John Friedmann, 'The Future of Comprehensive Urban Planning: A Critique'; *Public Administration Review*, May/June, 1971, p. 315.
2   *The Planning Act*, R.S.O. 1970, c. 349 as amended. Sec. 1 (h).
3   *Ibid*, Sec. 12(1).
4   *Ibid*, Sec. 2(7).
5   Ontario Economic Council, *Subject to Approval: A Review of Municipal Planning in Ontario* (Toronto, Ontario: Ontario Economic Council, 1973) p. 54.
6   *Ibid*.
7   *Ibid*, at p. 55.
8   Corporate planning and strategic planning are seeen as synomonous by many authors while others distinguish between them in various ways. For the purposes of this paper, corporate planning refers to integrated planning for the municipality. Strategic planning on the other hand, refers to planning for the community as a whole, going further than the limits of the authority of the corporation to include such things as education, utilities, and cultural activities.

ration which, it is hoped, will more successfully meet the demands being placed on local government. It may be defined as the process of explicit policy-making based on analysis of needs and resources, for long and short terms; and the administrative and managerial practices necessary to facilitate the implementation of integrated goals and objectives of programs consistent with strategy determined for the city as a whole.

A number of different models have been put forward to describe the processes involved in corporate planning and management. The steps involved may be divided into two groups: those which make up policy or corporate planning at the council level; and those which constitute management at the administrative level. This division reflects the different processes which these two groups use in long-term policy planning and the development of co-ordinated plans as vehicles for working towards the stated goals of the municipality.

The long-range and policy planning process of council (corporate planning) consists of five steps:

1 deciding on the purpose of the organization;
2 deciding on long-term goals;
3 analyzing constraints, key factors, and the availability of resources;
4 determining priorities; and
5 selecting strategies and allocating resources.

Once council has determined the policies it wants to pursue and allocated resources accordingly, the city's administrators must translate the goals and priorities into objectives and action programs. It is at this level that the term 'corporate management' becomes most meaningful in describing the processes involved. Corporate management involves senior management people working as a team to co-ordinate the administrative activities of the municipality. The steps in this process include:

1 translating council's corporate goals into operational or program goals;
2 identifying and weighing alternative strategies to attain the goals;
3 setting quantified objectives designed to implement the 'best' strategy and to move toward achieving the program goals;
4 allocating resources within the budget guidelines in order to achieve the objectives as efficiently and effectively as possible; and
5 evaluating performance to provide information for setting new objectives and modifying others, thus completing the corporate management cycle.

Thus corporate planning as a system fits many of the needs of local government as it is systematic, anticipatory, flexible and integrated. For these reasons it has been institutionalized in England and Scotland through government reports and legislation.

While corporate planning and management is still a relatively new process, a number of benefits have been identified in local governments where it is in use. Among these benefits are:

1 more explicit decision-making;
2 a greater understanding within the local government of how different parts of the municipal organization fit into the whole;
3 specification of the overall direction of the municipality;
4 specification of management goals and objectives;
5 avoidance of duplication of efforts and services;
6 increased sensitivity to the needs and desires of the community; and
7 increased program effectiveness through focused attention on results.

Management by Objectives

Management by objectives (MBO) is, like corporate planning and management, an overall system for managing an organization based on rational planning. MBO has developed primarily in the private sector over the past twenty-five years, but it is being used increasingly by local government. It is a 'results-oriented' philosophy of management, emphasizing accomplishment and results. MBO is also a process in which managers and their superiors formulate clear, concise, objective statements, develop action plans for the attainment of these objectives, systematically monitor and measure performance, and take the required corrective actions to achieve the planned results.

Setting meaningful objectives and stating them in measurable terms can contribute enormously to the successful management of local government. Corporate planning, however, is more comprehensive than MBO in some respects. It tends to emphasize planning, co-ordination, communication and development of needed information to a greater extent than do most applications of MBO.

Because MBO has been in use longer than corporate planning *per se*, there is far more literature available on it. Much of this literature deals with goals, objectives and other aspects of MBO which are central to an organizational change process. For this reason a special reading list devoted to MBO may be found in Part III-2.

Relation to Other Areas of Development

The planning process has important links with every other area of development described in this part of the paper. Many of these links have already been discussed.

Perhaps most important is the connection between planning and *financial resource management*. In the broad perspective, each is essential to the other. Indeed, corporate planning and PPB have a number of similarities. Both stress the importance of co-ordinating the operations of the local government through the program approach; both emphasize the setting of broad goals for program areas and the specification of clear, measurable objectives. Program budgeting can be a valuable complement to the corporate planning process.

Goal setting programs are often tied directly in to the planning process, especially to the revision of the official plan. Goals programs run by independent bodies also have important implications for local government planning. Through them, municipal officials may examine whether or not goals and policies they have formulated coincide with the feelings of the community.

Because it is a change program, some authorities urge that corporate planning be introduced simultaneously with an *organizational development* program. The team approach to decision-making is one aspect of corporate management which is also common to organizational development. The corporate approach stresses co-operation and integration in the management of the organization. Skills in team management, interpersonal communication and the balancing of concern for people and concern for production can therefore be very important to the success of corporate planning.

An effective *management information system* is indispensible to the planning process. Local government decision-makers must rely heavily on the information they receive about needs, changes in environment and the impact of programs. *Performance measurement, systems analysis* and *community data base* studies can generate such information but the information system must ensure that it reaches those who need it.

Performance measurement is a particularly valuable source of information for the planning process. In order that the municipality be able to determine if it is on its desired course, it must measure its degree of success in achieving its announced objectives.

Municipalities adopting the corporate planning process often *restructure* their internal organization to reflect the corporate approach more accurately and to facilitate the implementation and operation of such an approach. A number of British local authorities have created a central co-ordinating body and/or a single administrative position responsible for goal and program co-ordination. Other local governments have retained their traditional structures and have modified existing roles to fit the functions of corporate planning. As always, the choice is made according to the needs of the individual municipality. and the desires of its decision makers.

Summary

The planning process is one of the major functions performed by local government. The scope of the planning process has changed tremendously in the last few years. It now refers not only to the use of land but to the total management system of the local government. As can be seen from the section above, it has important connections to every other important area of development in the management of local government.

Innovations in the field of corporate planning have, until recently, been concentrated in Great Britain. There is now a growing amount of activity in Canada and the United States to modify the planning process into a systematic, comprehensive, and integrative one. In the coming years, local governments will concentrate their efforts increasingly in this area as it is the most all-encompassing of the various approaches to improving the management of local government.

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In the course of research over the last three years, the Queen's Project Team has gathered together a substantial collection of materials from local governments, organizations concerned with local government, research institutes, books, journals and periodicals. Most of these materials fit into one or more of the areas of development discussed in Part i, enabling the Project Team to construct annotated bibliographies on each topic.

For the purposes of this paper, the Project Team has gone through these bibliographies and other sources and has selected several articles, reports and/or books in each area. The readings were selected because they were felt to be either outstanding in explaining a method, system, or the state of the art in some field, or representative of writing in the field.

Due to spatial constraints, only a limited number of readings have been suggested in each area. Individuals interested in studying a given area in greater depth may contact the Project Team for a more detailed reading list. If the reader feels that some important works have been unduly neglected in this section or in Part iii of the paper, the Project Team would be pleased to hear from him or her.

The journal articles listed may be obtained from libraries, the journal publishers, or by writing to the LGMP. The reports and books should be ordered from the various publishers. These references will form the basis for a good personal library on the major areas of development in the management of local government.

1 Goal Setting

Goal setting occurs in municipalities in three different contexts:

1 community goal setting programs in which goals are set, usually with considerable citizen involvement, in a number of areas of concern to the municipality;

2 goals programs which seek direct input to a new or revised official plan; and

3 innovative local government management improvement programs involving goal setting such as program budgeting, organizational development, and management by objectives.

Further readings relating to goal setting may be found in Part III-2 on management by objectives.

Articles

1 Young, R.C. 'Goals and Goal Setting', *Journal of the American Institute of Planners*, Vol. 32, 1966, pp. 76-85.

After defining 'goals' and 'objectives', the author discusses the role of goals in the planning process and the theory behind goals and objectives. Finally, he suggests a five step procedure for setting goals which will allow for multiple goals in a given area and help to resolve conflicts between them.

Reports

1 Albuquerque Urban Observatory. *Goals for Albuquerque: A Study of the Goals Formulation Process*. Albuquerque, New Mexico: Albuquerque Urban Observatory, April, 1970, 50 pages. (Distributed by National Technical Information Service, U.S. Department of Commerce, 5285 Port Royal Road, Springfield, Virginia 22151).

The three-year (1967-1970) somewhat unsuccessful effort by Albuquerque citizens to formulate community goals is described and an analysis is provided of the problems encountered during the formulation process. Recommendations are included with the aim of aiding other communities in developing goals programs. The study explores the problems of achieving citizen participation, the organization of a goals effort, and the leadership requirements for a successful goals program.

2 International City Management Association. 'Municipal Goal Setting', *Management Information Service*, Vol. 2, No. LS-1, 1970, 15 pages (entire issue devoted to the topic).

A study of the state of municipal goal setting programs as of 1970, providing a historical background, definitions, some reasons why municipalities engage in such programs and a description of the various steps involved. It gives capsule accounts of the experiences in 11 municipalities and concludes with a recommended approach.

3 Lang, R.S., and J.E. Page. *Goals in Official Plans*. Supplement of *The History and Administration of Planning in Metropolitan Toronto, Part 1: The Formulation of Area Municipal Official Plan Policy*. 'Background Studies in the Metropolitan Plan Preparation Programme'; Toronto: Metropolitan Toronto Planning Board, December, 1973, 66 pages.

Discusses the importance of goals to planning and provides a framework for understanding and using goals. Looks at the history of goal setting in the Metro Toronto area and critically analyses the use of goals in the official plans of the area municipalities.

4 LGMP Publication [1]

i *Goals for Dallas 'A'*
Describes a leading municipal goal setting program, Goals for Dallas, from its inception in 1965, to 1972.

ii *Goals for Dallas 'B'*
Based on interviews by the Project Team with people involved in all phases of Goals for Dallas, this case covers the program from 1972 to 1974.

iii *Community Goal Setting*
A more technically oriented paper analyzing the use of goal setting in municipalities. The Project Team's research indicated that goal setting was used in three ways:

1 to give broad but informal direction to the municipality;

2 to give input to the official plan;

3 as an element of an innovative management system such as management by objectives or program budgeting.

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[1]   The *Goals for Dallas 'A'* and *Goals for Dallas 'B'* cases may be ordered by using the Publication Order From located at the end of this publication. *Community Goal Setting* is a forthcoming paper.

45 Performance measurement covers efforts to quantify the output of local government service and support programs, especially in terms of efficiency and effectiveness.

Articles

1 Berkshire, Tom. 'Developing a System of Measurement in a Metropolitan Authority — Early Experiences of the Greater London Council', *Local Government Studies*, February, 1974, pp. 39-52.

As part of its plan to employ a corporate management system, the GLC has been developing a system which measures the activities of the Council in order that decision-making be improved through the systematic use of the quantitative information generated. This article discusses the evolution, examples of measures used, and some of the problems yet to be overcome.

2 Hatry, Harry P. 'Issues in Productivity Measurement for Local Government', *Public Administration Review*, Vol. 32, No. 6, December, 1972, pp. 776-784.

Points out the benefits of measuring the productivity of local government agencies but also discusses some of the problems involved. The author shows how seemingly valid measures may actually be misleading or even meaningless, and provides some pointers as to how to avoid these pitfalls. Contains examples of effectiveness measures for local government services.

Reports

1 Beatty, Donald W. (editor). 'Measuring Government Effectiveness', *Government Finance*, November, 1973 (entire issue devoted to this topic).

Contents:
(1) 'Increasing Productivity: A Goal of Kansas City', by John M. Urie; (2) 'Applications of Productivity Measurement in Local Government', by Harry P. Hatry; (3) 'Productivity Measurement: the ICMA Viewpoint', by George P. Barbour Jr.; (4) 'A Ninety Degree Turn', by Bond Anderson III; (5) 'Efficiency and Effectiveness in State and Local Government', by Kenneth S. Caldwell; (6) 'Productivity Analysis: Its Use in Local Government', by Samuel A. Finz; (7) 'Commentary', by John V. Lindsay and Gov. Patrick J. Lucey.

2 Grant, Mary Margaret (editor). 'Local Government Productivity', *Public Management*, Vol. 56, No. 6, June, 1974 (entire issue devoted to this topic).

Contents:
(1) 'Productivity Improvement: The Route to More Effective Public Management', by George H. Kuper; (2) 'Issues in Local Government Productivity Measurement', by Donald M. Fisk; (3) 'Local Productivity Programs: An Overview', by Donald J. Borut and Steve Carter; (4) 'Implementation of Productivity Analysis in the County', by Robert W. Wilson and Samuel A Finz; (5) 'Charlotte — Management By Objectives', by David A. Burkhalter and Jerry B. Coffman; (6) 'Barrington Measures Productivity', by Dean H. Maiben; (7) 'Dubuque — Fiscal Information System', by Gilbert D.

Chavenelle; (8) 'St. Petersburg — Productivity Measurement', by Paul V. Yingst and James L. Cavenaugh; (9) 'Nashville-Davidson County — Productivity Management', by Thomas W. Finnie and John L. Pazour; (10) 'San Diego County — Productivity and Evaluation', by Frank Aleshire.

3 Hatry, Harry P., *et al. The Challenge of Productivity Diversity: Improving Local Government Productivity Measurement and Evaluation.* Report prepared for the National Commission on Productivity and Work Quality. Washington, D.C.: The Urban Institute and the International City Management Association, June, 1972, 397 pages.

A four-volume study covering the area of performance measurement and evaluation in general and focusing in particular on the areas of solid waste collection and police-crime control. Much of the more recent research and several of the projects of the Urban Institute and the ICMA are based on this study.

4 International City Management Association. *Jurisdictional Guide to Productivity Improvement Projects — A Handbook for City Officials.* 2nd ed. Prepared for the National Commission on Productivity and Work Quality. Washington, D.C.: National Commission on Productivity and Work Quality, May, 1975, 91 pages.

A variety of local governments have experimented with productivity improvement in several operational areas. This report presents information on a large number of productivity improvement programs embracing a wide spectrum of methods implemented by local governments throughout the United States. The projects listed are grouped under the following headings; energy conservation, general administration, inspections, library service, parks and recreation, public health, public safety, public transit, and public works.

5 Jreisat, Jamil. *Measuring Output of Urban Programs and the Effects of Measurement on Administrative Change: The Case of St. Petersburg.* Prepared for delivery at the Annual Meeting of the American Society for Public Administration, Chicago, April 2, 1975. Tampa, Florida: University of South Florida, 1975.

Examines from an outsider's viewpoint the new system of productivity measurement implemented in the city government of St. Petersburg, and describes some of its major characteristics. The author's study assesses administrative adaptability and change instigated or affected by information derived through measurement of output. It also determines the quality of output produced by various programs of the city government subjected to measurement, particularly (a) the degree of satisfaction of the clientele receiving the output, and (b) the degree of satisfaction of staff in the various operations of the city. Some useful observations are made in the final section concerning difficulties with the measures, their use, and the system in general.

6 LGMP Publication
Performance Measurement in Municipalities[1]
Provides a framework for looking at performance measurement systems at the local government level and discusses the steps required to implement such a system. Reviews some of the more recent innovative projects in municipal performance measurement. Includes a section on social indicators, a number of examples of measures being used, and a selected annotated bibliography.

7 National Commission on Productivity and Work Quality. *So Mr. Mayor, You Want to Improve Productivity.* Washington, D.C.: National Commission on Productivity and Work Quality, 1974, 32 pages.

A primer on why local governments need productivity improvement programs and how a mayor should go about setting up and running such a program.

8 The Urban Institute and the International City Management Association. *Measuring the Effectiveness of Basic Municipal Services: Initial Report.* Washington, D.C.: The Urban Institute and the International City Management Association, February, 1974, 118 pages.

A recent report on a project undertaken jointly by the Urban Institute and the ICMA in St. Petersburg, Florida and Nashville-Davidson, Tennessee. The project involves a comprehensive effort to implement an extensive performance measurement and evaluation system in the two municipalities. The report is written for the benefit of other local government administrators and provides a number of measures and measurement techniques which may be used.

Books

1 Webb, Kenneth, and Harry P. Hatry. *Obtaining Citizen Feedback: The Application of Citizen Surveys to Local Government.* Washington, D.C.: The Urban Institute, 1973, 105 pages.

This book deals with the use of citizen surveys, one of the major recent advances in measuring local government performance. The authors describe several uses of citizen surveys and point out the dangers and pitfalls involved. Further chapters discuss survey procedures, costs and funding sources, organizational options for undertaking surveys and conclusions and recommendations. Several examples of citizen surveys are provided as illustrations.

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1 This is a forthcoming paper. For further information, see the order form at the end of the publication.

3 Management Information Systems

47 Management information systems are the vital links between information-generating and information-using processes in local government. The effectiveness of the management information system in a municipality greatly influences the effectiveness of all its operations.

Local Government Related Articles

1 Charnes, A., G. Kozmetsky, and T. Rueffi. 'Information Requirements for Urban Systems: A View into the Possible Future', *Management Science,* Vol. 19, No. 4, December, 1972, pp. P-7 to P-19.

Successful management of urban systems is increasingly dependent on information as the basis for developing a structure for, and outlining the flows in, an urban area. This article establishes a dual hierarchy of information requirements and management activities, and discusses each level in terms of problems and requirements likely in the future. Since developments in information technology are likely to have a great impact on urban administrators, some examples of how this may occur are provided.

2 Hearle, Edward F.R. 'Information Systems in State and Local Government', *Annual Review of Information Science and Technology*, Vol. 5, Chicago: American Society for Information Science, 1970, pp. 325-349.

A chapter describing the state of information systems in local government in 1970. Outlines the characteristics and themes of developments in this field and describes briefly some of the important projects and studies then underway. Included is a bibliography of references.

3 Holtham, Clive. 'Information Systems in Local Government', *Local Government Studies,* October, 1973, pp. 45-57.

A definition and analysis of information systems and their use by local governments. Discusses the types of information needed by a local authority and how the system relates to users, elected members and the community.

General Articles

1 Ackoff, R.L. 'Management Misinformation Systems', *Management Science*, December, 1967, pp. 147-156.

This article, now a classic in the field of information systems, is quoted extensively by authors who warn against preoccupation with quantity as opposed to quality of information. The author identifies five assumptions wrongly made about management information, and suggests an alternative procedure for designing an information system.

2 Kashyap, R.N. 'Management Information Systems for Corporate Planning and Control', *Long Range Planning,* July, 1972, pp. 25-31.

Examines the role of management information systems in corporate planning. The impact of improved information in an organization is briefly examined and information requirements for planning and control is discussed. Also reviews some of the major considerations in developing an MIS and some of the results which may be expected from effective information systems.

3 Thompson, Robert J. 'Operational Review of Management Control Systems', *Management Controls*, April, 1974, pp. 75-77.

An article presenting a number of steps to undertake in analyzing an information system. Questions designed to disclose the location and types of information demand and supply are suggested; three ways in which information is received are indicated. Presents criteria with which to evaluate existing information systems.

4 Tricker, R.I. 'Ten Myths of Management Information', *Management Accounting*, August, 1971, pp. 231-233.

In this short article, the author takes ten widely held notions about management information and explains why they are false.

Reports

1 Cramer, Ben. *Unified Information System.* A paper presented to the Ontario Municipal Administrators Association, June 14, 1974, Belleville, Ontario, Toronto: City of Toronto Finance Department, 1974, 23 pages.

A paper outlining Toronto's computer based information system. Copies of slides shown during the address are included after the text. Identifies six types of municipal information (people, property, public property, regulations, finance, and operations), with discussions of the ways in which they are handled. The DIRECTOR terminal system is described and the ways in which computer systems assist urban decision-makers are explored.

2 Kraemer, K.L., *et al. Integrated Municipal Information Systems: The USAC Approach.* Natick, Massachusetts: Long Island University, January, 1972, 128 pages.

A report from the important U.S. Federal Government sponsored project — Urban Information System Interagency Committee (USAC). Chapter headings include: 'Urban Information Systems and the USAC Program', 'The USAC Approach', 'What is IMIS?', 'IMIS Planning', 'Development and Administration', and 'Anticipated Benefits'.

3 Mintzberg, H. *Impediments to the Use of Management Information.* New York, New York and Hamilton, Ontario: National Association of Accountants and the Society of Industrial Accountants, 1975, 27 pages.

This paper explores the reasons why information is not used as effectively as MIS experts think it should be. The author points out the limitations of quantitative data for managerial decision-making and the importance of verbal channels and informal sources of information. In the light of these observations, suggestions are made for the design of information systems and the behavioural aspects involved are considered. The author warns against the trap of seeing MIS as a panacea for the organization.

4 Weiner, Myron E. 'The Objective of Municipal Information Systems', *Service*. Storrs, Connecticut: Institute of Public Service, University of Connecticut, 1969, 37 pages.

A paper directing itself to the problem of selecting an appropriate strategy when developing a municipal management information system. The author examines trends to date and makes some suggestions for needed action.

4 Systems Analysis

Systems analysis is concerned with improving local government decision-making through the use of various quantitative tools and techniques. Significant advances have been made in the last fifteen years in fields such as operations research, computer simulation and network analysis, and considerable success has been realized in the application of these methods to local government situations.

The articles listed below deal with the tools of systems analysis in a fairly general manner. The reports and books listed provide greater in-depth descriptions of the application of these methods to local government problems.

Articles

1   Greenwood, Michael J., and Keith Howard. 'The Use of Decision-Making Models by English Local Authorities', *Local Government Studies*, February, 1974, pp. 27-37.

This article deals with the state of the art of mathematical modelling as an aid to decision-making in English local government. An extensive search of the literature and a survey of one hundred and twelve local government authorities enabled the authors to produce an accurate picture of which methods were being used where.

2   Hatry, Harry P. 'Can Systems Analysis be Institutionalized in Local Government?', *Systems Analysis for Social Problems*, editors Alfred Blumstein, Murray Kamrass and Armand B. Weiss, Washington, D.C.: Washington Operations Research Council, 1970, pp. 53-69.

The author urges the regular use of systems analysis by local government decision-makers. He points out the need for systems analysis in several areas and discusses some of the barriers to its widespread acceptance. The article then summarizes the status of systems analysis in local government and explains its role in PPB. Finally some conclusions are made and recommendations are offered as to how systems analysis should be treated by local government administrators.

3   Hoos, Ida. R. 'Systems Techniques for Managing Society: A Critique', *Public Administration Review*, March/April, 1973, pp. 157-164.

A lucid attack on the short-sighted and over-confident worship of often ambiguous 'systems techniques'. The author criticizes the prevalent unscientific use of terms and questions the need and desirability of 'rationale' in social services. While not aimed directly at local government, this article is useful in that it points out some of the problems and pitfalls involved in using systems analysis and related methods.

Reports

1   Hickling, Allen. *Aids to Strategic Choice.* Vancouver, British Columbia: Centre for Continuing Education, University of British Columbia. 1975, 64 pages, (Copyright 1975, Tavistock Institute of Human Relations, England).

This booklet is based on the materials used in a series of seminars given by the author in ten cities across Canada in November, 1973. It describes in simple language, with the help of examples and diagrams, the 'Strategic Choice' approach to problem-solving, decision-making and planning.

2   Institute of Public Service, University of Connecticut. *Potentialities of Systems Analysis for Urban Management.* Symposium Papers, June, 1971. Storrs, Connecticut: Institute of Public Service, University of Connecticut, 1971, 51 pages.

Contents:
(1) 'Potentialities of Systems Analysis for Urban Management', by Dr. E.S. Savas; (2) 'Successes and Failures in Applying Systems Analysis in Cities', by J. Ward Wright; (3) 'The Problems and Potentialities of Systems Analysis', by Donald S. Luria; (4) 'Alternative Approaches to Utilizing Systems Analysis in Urban Management', by Lou Santone.

3   International City Management Association. *Applying Systems Analysis in Urban Government: Three Case Studies.* Report prepared for the U.S. Department of Housing and Urban Development. Washington, D.C.: International City Management Association, March, 1972, 90 pages.

The cases describe the application of systems analysis to projects in three U.S. cities. A summary of conclusions and recommendations based on the findings of the studies are presented. Also included are an introduction to systems analysis, a section defining terms, and an annotated list of readings.

Books

1   Drake, Alvin W., Ralph L. Keeney, and Phillip M. Morse (editors). *Analysis of Public Systems.* Cambridge, Massachusetts MIT Press, 1972, 526 pages.

A collection of 23 readings on modelling, and systems and policy analysis dealing with topics primarily of concern to local government. Six chapters deal with the applicability of quantitative methods to public sector problems while other chapters deal with such topics as emergency ambulance transportation, library models, water quality management, fire department efficiency, and the efficient operation of runways.

2   Friend, J.K. and W.N. Jessop. *Local Government and Strategic Choice: An Operational Research Approach to the Processes of Public Planning.* London, England: Tavistock Publications, 1969.

This book was the result of a four year study in Coventry, England in which operations research methods were applied to the problems of local government. It describes the experience in Coventry as well as the analytical techniques used. Included in Part III are three lengthy hypothetical cases through which the authors attempt to draw together the various techniques available to local government officials when making strategic decisions. Among the various techniques are AIDA (Analysis of Interconnected Decision Area), cost-benefit analysis, sensitivity and risk analysis, and the use of 'robustness' criteria to help in striking a balance between current commitment and flexibility of future choice.

5   Financial Resource Management

49 This area is concerned with efforts to improve the allocation of resources by local government through improvements in budgetary procedures, with an emphasis on planning – programming – budgeting (PPB) and related systems. Following these suggested readings is a separate list devoted to related tools of analysis, namely, program evaluation, program analysis and policy analysis.

Articles

1 Butt, R.B. 'A Feasibility Study of PPBS in Gloucestershire', *Local Government Studies*, April, 1972, pp. 37-52.

This is an account of a feasibility study of PPBS, its organization, sequence of steps and results. Describes the organization and management system of the County Council before implementation and concludes with a description of anticipated changes as a result of the decision to adopt PPBS.

2 Campbell, D.S. 'Planning Programming and Budgeting in the Ontario Government', *Cost and Management*, July-August, 1975, pp. 6-12.

A primer on PPB and the extent of its operation in the Ontario Government. Describes the Ontario experience in terms of six key elements in the PPB process. These elements include:

1 analyzing tomorrow's environment;
2 setting specific statements of desired future results;
3 determining the best strategy for meeting objectives;
4 defining financial and personnel resources to implement the strategy;
5 determining if objectives have been met; and
6 linking all elements in a comprehensive consistent system.

Finally, the author makes some brief recommendations as to how Ontario's PPB system could be improved.

3 Hatry, Harry P. 'Status of PPB in Local and State Governments in the United States', *Policy Sciences 2*. Washington, D.C.: American Elsevier Publishing Company Inc., 1971, pp. 178-189.

An introduction to and brief history of PPB are followed by an outline of the developments to date in goal and objective setting, program budgets, multi-year projections, measures of output, program/policy analysis, program evaluation and various other aspects of PPB systems. Another section summarizes some of the major barriers to the effective use of PPBS by local and state governments.

4 Milward, Robert E. 'PPBS: Problems of Implementation', *Journal of the American Institute of Planners*, March, 1968, pp. 88-94.

Written at the height of popularity of the PPB system, this article attempts to put a damper on enthusiasm by pointing out some of the system's inherent conceptual and operational weaknesses and by suggesting that PPB alone would not solve the immense problems faced by public administrators.

5 Mushkin, Selma J. 'PPB in Cities', *Public Administration Review*, Vol. 29, No. 2, March/April, 1969, pp. 167-178.

Included in a symposium on PPB, this article describes some of the special problems encountered by cities which implement the system. The author draws on her experience as Director of the innovative '5-5-5- Project' in which PPBS was introduced to five city, five county, and five state governments in the late Sixties.[1]

6 Schick, Allen. 'A Death in the Bureaucracy: The Demise of Federal PPB', *Public Administration Review*, March/April, 1973, pp. 146-156.

Discusses the many reasons why PPB failed in the U.S. Federal Government and the effect its disappearance would have in the future. Primary among the reasons for failure was the method of implementation: quickly, across-the-board and with little or no consideration given to budget traditions, institutional loyalties or personal relationships.

7 Teitz, Michael B. 'Cost Effectiveness: A Systems Approach to Analysis of Urban Services', *Journal of the American Institute of Planners*, September, 1968, pp. 303-311.

Discusses the problems involved in using PPB at the local level, particularly the difficulties of setting objectives. Presents a model of systems analysis applicable to municipal services. Also discusses cost effectiveness, a measure which relates output to the achievement of objectives without necessarily describing output in terms of dollars.

Reports[2]

1 Institute of Municipal Treasurers and Accountants. *Programme Budgeting Implementation – Some Practical Problems*. Papers from 1971 seminar. London, England: Institute of Municipal Treasurers and Accountants, June, 1971, 91 pages.

Contents:
(1) 'The American Experience', by I.C. Hancock; (2) 'Creating the Right Environment', by H.L. Oliver; (3) 'Objective Setting', by R.B. Butt; (4) 'Forward Planning', by J.B. Woodham; (5) 'Multi-Purpose Budgeting', by G.D. Nicholson; (6) 'The Self-Evaluating Organization', by A. Wildavsky; (7) 'Information Systems', by J.D. Hender; (8) 'Output Measurement', by J.V. Miller; (9) 'Viewpoint', by A. Williams.

2 Robinson, A.J. *Economic Evaluation of Municipal Expenditures: PPB*. Canadian Tax Papers No. 52. Toronto: Canadian Tax Foundation, March, 1971, 77 pages.

Following a brief introduction outlining the history of urbanization in Canada and the role of its municipal governments, the author provides a description of PPB as a system for municipal government. Topics in this section include: 'Definition of a Program', 'Objectives of Municipal Government', 'The Place of Objectives in PPB', 'Incremental Budgeting and PPB', and 'Multi-Year Budgeting'. In discussing these topics, the author provides numerous examples from municipalities which have used the system, particularly New York City and the 5-5-5 Project Cities. The final section is concerned with how to implement PPB.

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1 Several of the publications which resulted from the 5-5-5 Project are listed in this section under 'Reports'.

2 It may be advantageous for the reader to have several municipal program budgets on hand for reference. Examples of municipalities using the program format are London, England (Greater London Council), Charlotte, North Carolina, Fort Worth, Texas, Phoenix, Arizona, Calgary, Alberta, and Edmonton, Alberta. Current budgets are generally available by contacting the Chief Financial Officers of these municipalities. Names and addresses may be found in Part III-8.

3 The 5-5-5 Project

    i State — Local Finances Project, George Washington University. PPB *Notes 1-8*. Washington, D.C.: George Washington University, 1967.

    ii State — Local Finances Project, George Washington University. PPB *Notes 9-11*. Washington, D.C.: George Washington University, 1968.

    iii State — Local Finances Project, George Washington University. PPB *Pilot Project Reports*. Washington, D.C.: George Washington University, 1969, 155 pages.

These publications are available from
The Bookstore
George Washington University
2100 'I' Street N.W.
Washington, D.C., 20006

These three publications are the result of an innovative project in the late 1960's in which PPB was implemented in five cities, five counties and five states in the U.S. The first two publications are collections of 'notes' written to help public administrators understand the concepts of PPB and how it can be implemented. The third publication is a compilation of the final reports submitted by each of the 15 jurisdictions. It is useful in pointing out the strengths and weaknesses of PPB as well as the mistakes that were made during the project.

Books

1 Hirsch, Werner Z., Sidney Sonenblum, and Ronald K. Teeples. *Local Government Program Budgeting: Theory and Practice With Special Reference to Los Angeles*. New York: Praeger Publishers, 1974, 216 pages.

This concise book examines, reviews, and summarizes the most significant conceptual and applied issues of local government program budgeting. The authors discuss the experiences of large and small local governments in organizing the program budgeting effort, designing program budget structures and conducting program analysis. Criteria for trade-off analyses, the interpretation and measurement of costs and benefits, and budget structures are evaluated. Specific program analyses — including benefit-cost, cost-effectiveness, production function, intergovernmental and multi-year analyses — and program structures for police, education, recreation, health and welfare services are described and evaluated.

2 Lee, R.D. Jr., and Ronald W. Johnson. *Public Budgeting Systems*. Baltimore: University Park Press, 1973, 347 pages.

A basic text containing a comprehensive systematic presentation of all aspects of budgeting at federal, state and local levels. Includes good coverage of such topics as PPB, program planning and evaluation, information systems and intergovernmental relations.

3 Marshall, A.H. *Financial Management in Local Government*. London, England: George Allen and Unwin Ltd., 1974, 375 pages.

This book contains a valuable analysis of the role of financial management in English local government. Written for other managers as well as finance officers, it helps to place the financial function within the corporate planning framework. PPB and its elements are explained, the area of measures reviewed, and the more traditional finance functions related to newer management approaches. The author also explores the relationship between elected officials and managers, and the roles of the chief financial officer and his department. Throughout, the author maintains a historical perspective and discusses possible future developments.

4 Novick, David (editor). *Current Practice in Program Budgeting (PPBS): Analysis and Case Studies Covering Government and Business*. For the Rand Corporation. New York: Crane Russak, 1973, 234 pages.

This book clearly and thoroughly covers the state of practice in PPBS up to 1971. The author provides five introductory chapters describing program budgeting, giving a brief history and evaluation of it. This is followed by a series of case histories on PPBS in nine national governments (including two articles on Canada), two state governments, an English local government, New York City, and two private organizations.

Program Evaluation, Program Analysis, Policy Analysis

1 Fisk, Donald M., Harry P. Hatry, and Wayne Kimmell. *Practical Program Analysis for Local Governments*. Washington, D.C.: The Urban Institute, October, 1972, 153 pages.

'The report opens with a discussion of "institutional" issues which may substantially affect the utility of program analysis and makes recommendations on practical ways to develop and use analysis within the constraints of government. The report discusses the role of the chief executive and urges that analytical work be linked directly to the policy-making process to ensure that analysis is done on major policy issues which count. Criteria for selecting issues for analysis are presented; scheduling and monitoring analytical work is suggested; and the elements of a formal issue selection and analysis are discussed, and suggestions for larger jurisdictions, are identified. Staffing and organizing for analysis are discussed, and suggestions are made for using internal and outside analytical resources to best advantage. Case study findings are presented on the major factors which seem to affect the impact of analysis on policy.' (From the abstract.)

2 Hartle, D.C. 'A Proposed System of Program and Policy Evaluation', *Canadian Public Administration*, Vol. 16, No. 2, 1973, pp. 243-266.

This article outlines a framework for integrating policy and program evaluation, strategic planning and priority problem identification. The author lists three tasks to perform to accomplish this objective: (i) identify goals and goal areas; (ii) specify indicators for measuring progress towards goals; and (iii) identify policy instruments which affect progress towards goals,

3 Hatry, Harry P., Richard E. Winnie, and Donald M. Fisk. *Practical Program Evaluation for State and Local Government Officials*. Washington, D.C.: The Urban Institute, 1973, 134 pages.

A report designed to help public officials develop or improve their program evaluation capabilities. Contains concrete practical suggestions as to how to identify specific program objectives, outlines criteria for measuring progress towards these objectives and identifies the population segments that are likely to be affected by the program.

4 Kimmell, Wayne A., William R. Dougan, and John R. Hall. *Municipal Management and Budget Methods: An Evaluation of Policy Related Research*, Final Report, Vol. 1: *Summary and Synthesis*. Washington, D.C.: The Urban Institute, 1974, 150 pages.

This is a report of an evaluation of research and formal studies on the utility, impact and effectiveness of eight management and budget methods used by local governments. Included among these are program evaluation, policy analysis, MBO, systems analysis and PPBS.

5 Wholey, Joseph S. 'What Can We Actually Get From Program Evaluation?', *Policy Sciences 3*. Amsterdam: Elsevier Scientific Publishing Company, 1972, pp. 361-369.

'This paper assesses the role program evaluation can play in assisting decisions on public programs. The author looks at evaluation from the standpoint of decision-makers interested in finding out the "right" answers about their programs. The discussion focuses on the assistance that various types of evaluation can give to program managers and to policy-makers concerned with legislative changes and budget levels. The paper includes examples of relevant evaluation work. The concluding section analyzes some of the problems decision-makers face in trying to get reliable, useful evaluation.' (From the abstract.)

51 This topic deals with attempts to improve the organization through 'people-related' programs and activities. Organizational development (OD) is planned change which usually involves the total organization, and aims for more effective management through improved interpersonal co-operation and team work. Human resource management deals more with the individual. Included under this heading are management development and many of the functions of the municipal personnel department.

Articles

1   Eddy, William B., and Robert J. Saunders. 'Applied Behavioural Science in Urban Administrative/Political Systems', *Public Administration Review*, January/February, 1972, pp. 11-16.

This article deals with the particular problems involved in introducing OD techniques to the local government setting. The authors first list some of the needs of local government which OD programs could help to satisfy. A number of the difficulties with such programs which are particular to local government are identified, many of them political in nature. The article concludes with some ideas as to how behavioural scientists can overcome resistance to change and suggests that they take the initiative in promoting OD in local government.

2   Fletcher, T. 'Team Building for Mayors and Administrators', *Public Management*, June, 1973, pp. 26-27.

This article deals with the relationship between the mayor and the chief administrative officer. The author suggests that the mayor become more involved in the administration of the municipality and that the chief administrative officer take the initiative to accomplish this.

3   Foley, Charles. 'Classical Management Development: Its Weaknesses and the Extent of Its Use in Local Government', *Local Government Studies*, June, 1974, pp. 17-29.

The author considers the various elements typically part of a classical or systematic management development program, the theoretical and practical weaknesses of the management by objectives system on which many management development programs are based in the U.K., and the usual methods of management development. The article ends with an investigation of the extent to which classical management development is practised in British local government.

4   Foley, Charles. 'Improving Organizational Performance — Some Thoughts on the Role of Management Development', *Local Government Studies*, January, 1975, pp. 37-48.

In this article, the author follows up his earlier study (see preceeding entry) to determine how management development courses and activities are used by British local governments. After discussing the relative lack of rational approaches to management development, the author makes a strong case for a systematic, integrated approach to improving organizational performance, based on a considered and tailor-made management development program.

Reports

1   Grant, Mary Margaret (editor). 'Training Municipal Administrators', *Public Management*, April, 1974 (entire issue devoted to this topic).

Contents:
(1) 'Organization Development in Dallas', by John W. Cutsinger; (2) 'The Coming of Action Research', by Harvey Rose; (3) 'Public Service Training in Maine', by Brian Braley; (4) 'Action Plan for the Future of California Cities', by Clark Goecker; (5) 'Suburban Intergovernmental Network for Management Development', by F. Gerald Brown and Robert J. Saunders; (6) 'Building Community-Wide Networks', by E. Delano Lind; (7) 'ICMA Training Program', by Michael J. Murphy.

2   Kirkhard, Larry, and Neely Gardner (editors). 'Symposium on OD', *Public Administration Review*, March/April, 1974.

Contents:
(1) 'The Evolution of Organization Development 1947-1960', by Michael E. McGill; (2) 'Action Training and Research: Something Old and Something New', by Neely Gardner; (3) 'Human Resources Development in OD', by Malcolm S. Knowles; (4) 'Team Development Trainer's Workshop', by George F.G. Lehner; (5) 'The Future of Organization Development', by Larry Kirkhart and Orion F. White Jr.

3   LGMP Publications[1]
   i   *The Thunder Bay Experience with Organization Development 'A'*
       A case history which traces the introduction of an OD process to an Ontario municipality. The 'A' case covers the program from the inception in 1972 to mid-1973.
   ii *The Thunder Bay Experience with Organization Development 'B'*
       A follow-up to 'A' case which takes the program up to March, 1974. Describes the reactions of numerous city officials to the OD process, and the procedure and results of an evaluative session held two years into the program.
   iii *Organizational Development*
       A technical paper which describes in general the field of organizational development in local government and summarizes the experiences of one particular munici-

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1   The following are forthcoming publications of the Local Government Management Project. For more information, see the order form at the end of this publication.

pality with a behaviourally oriented change program. The special problems and considerations involved in implementing organizational development at the local government level are discussed.

4 Minors, A., V.N MacDonald and J.R. Nininger. *A Study of the Personnel Function in Canadian Municipalities.* Prepared for the Ministry of State for Urban Affairs, Ottawa, 1975.

This report examines the personnel function in eight Canadian mnicipalities and makes a number of recommendations regarding ways in which the personnel function can be improved. The report also includes a review of the literature in the personnel and industrial relations functions.

5 National Commission on Productivity and Work Quality. *Employee Incentives to Improve State and Local Government Productivity.* Washington, D.C.: National Commission on Productivity and Work Quality, March, 1975, 147 pages.

This is a comprehensive report covering the following topics:

1 the use of employee incentives by state and local government;

2 types of incentives − e.g. competition and contests, job enlargement, performance bonuses, shared savings, etc.;

3 examples of incentive programs − over 130 projects are briefly described;

4 guidelines for design, implementation and evaluation of employee incentive programs; and

5 summary of findings and recommendations including a discussion of important obstacles to success.

Books

1 Beckhard, Richard. *Organizational Development: Strategies and Models.* Reading, Massachusetts: Addison Wesley Publishing Co., 1969, 119 pages.

This volume in the Addison Wesley Organization Development Series first sets out some basics of OD − definitions, strategies, targets and tactics. Beckhard then proceeds through several case histories including descriptions of actual efforts:

1 to change the culture of an organization;

2 to change the managerial strategy of an organization;

3 to change the way work is performed in an organization; and

4 to change communication and influence patterns in an organization.

2 French, Wendell L., and Cecil H. Bell Jr. *Organization Development.* Englewood Cliffs, New Jersey: Prentice Hall Incorporated, 1973, 200 pages.

A good basic organizational development text covering the history, theory and practice of OD, including a section on key considerations and issues.

3 Lawrence, Paul R. and Jay W. Lorsch. *Developing Organizations: Diagnosis and Action.* Reading, Massachusetts: Addison Wesley Publishing Company, 1969, 101 pages.

This book represents the authors' personal statement of their views on organizational development based on their extensive consultative experience in the field. They examine the issues at three critical interfaces − organization/environment, group/group, and individual/organization − and present brief examples of their work on each. The final chapter pulls these themes together and makes some conclusions about OD issues as they affect practicing managers.

4 Margulies, Newton, and Anthony P. Raia (editors). *Organizational Development: Values, Processes and Technology.* New York: McGraw Hill Book Co., 1972, 640 pages.

Another good reference text on OD consisting primarily of writings by various authors on specific topics in OD, and secondarily, of explanatory notes by the editors. Following an introductory section are sections entitled 'The Components of Organizational Development', 'The Processes and Technology of Organization Development', and 'Emerging Issues in Organizational Development' and 'Case Studies in Organizational Development'.

5 Margulies, Newton, and John Wallace. *Organizational Change: Techniques and Applications.* Glenview, Illinois: Scott, Foresman and Co., 1973, 157 pages.

Focusing primarily on the practical aspects of organizational change rather than theory, this short, readable text: (1) examines a range of change techniques drawn from applied behavioural science which are considered useful in planned organizational change programs; (2) presents these techniques simply but in enough detail to give the reader a clear understanding; (3) examines the factors that determine intelligent choice among the various techniques; and (4) presents simply and clearly the theory underlying these techniques.

6 National Training and Development Service. *First Tango in Boston: A Seminar on Organization Change and Development.* Washington, D.C.: National Training and Development Service, 1973, 387 pages.

A collection of 22 papers by local government administrators describing various OD, quasi-OD, and management development projects that have been undertaken recently in American municipalities.

7 Labour Relations

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Labour relations deals with the area of interface between the organization and its employees. As more and more municipal employees have become unionized and their unions have gained greater strength, this topic has assumed greater importance to local government managers. The readings listed below cover some of the recent innovative developments in this field.

Articles

1 Plunkett, T.J. 'Municipal Collective Bargaining', *Collective Bargaining in the Public Service*. Toronto: The Institute of Public Administration of Canada, 1973, pp. 1-10.

A short but useful article outlining the state of municipal collective bargaining in Canada in 1973. After briefly discussing the history of the introduction of collective bargaining to local government, the author presents the legislative framework upon which it is based, then looks at municipal bargaining units and some of the principal municipal unions and associations operating in Canada. Some of the special problems and difficulties of municipal collective bargaining are pointed out and discussed.

Reports

1 American Society for Public Administration. 'Symposium of Collective Bargaining in the Public Sector: A Reappraisal', *Public Administration Review*, March/April 1972 (five articles are devoted to this topic).

Contents:
(1) 'Why They Organize', by Gus Tyler; (2) 'Labor-Management Relations in State and Local Government: Progress and Problems', by Carl W. Stenburg; (3) 'The Difference of a Decade: The Federal Government', by Richard J. Murphy; (4) 'Impasse Resolution', by Karl A. Van Asselt; (5) 'The Implications for Public Administration', by Felix A. Nigro.

2 Greiner, John M. *Tying City Pay to Performance: Early Reports on Orange, California and Flint, Michigan*. Washington, D.C.: Labor-Management Relations Service (a special report), 1975, 30 pages.

Police salaries in the City of Orange, California rise if the reported incidence of certain types of crime is reduced below specified levels. Waste collection personnel in Flint, Michigan receive annual bonuses as their share of the savings generated by improving the productivity of waste collection operations. This report documents the background and operational details of these two programs, and makes an attempt to determine their impact on local government productivity and on employee satisfaction.

3 Legatt, A., Edward J. Gutman, James J. Mortier, and Frank D. Le Seuer. *The City Prepares for Labor Relations: The Experience in Detroit, Baltimore, Milwaukee and Pasadena*. Washington, D.C.: Labor-Management Relations Service, 1970, 15 pages.

The 1960's was a decade of rapid change in the field of local government labour relations. Vast numbers of municipal employees joined unions and demanded collective bargaining rights. This report briefly documents the experiences of four American cities in meeting these challenges, describing the organizational changes required and their record through 1970.

4 Norrgard, David L. and Karl Van Asselt. *Cities Join Together for Bargaining: The Experience in Minnesota and British Columbia*. Washington, D.C.: Labour-Management Relations Service, September, 1971, 16 pages.

This report describes the operation of the systems in two metropolitan areas where a number of municipalities have joined together to bargain with all public employee unions, and evaluates the benefits of this approach.

5 Stetson, Damon. *Productivity: More Work for a Day's Pay*. Washington, D.C.: Labor-Management Relations Service, November, 1972, 8 pages.

A look at New York City's Productivity Program from the labour point of view. The author describes how productivity bargaining was introduced in New York City and the ensuing results.

Books

1 Frankel, S.J., and R.C. Pratt. *Municipal Labour Relations in Canada*. Montreal: Canadian Federation of Mayors and Municipalities, 1954.

Although over twenty years old now, this book continues to be an important Canadian publication in the field of local government labour relations. After describing briefly the history of municipal labour organizations in Canada, the authors go on to discuss the legal framework for municipal bargaining. Much of this discussion is still relevant today. The differences between the collective bargaining processes of the public and private sectors are pointed out. The authors provide several suggestions, again still relevant, for improving local government's handling of the labour relation ninction.

2 Stanley, David T. and Carole L. Cooper. *Managing Local Government Under Union Pressure*. Washington, D.C.: The Brookings Institution, 1972.

This is the second volume in the Brookings Institution series on Unionism in Government, following the Wellington and Winter book (see below). Using 19 municipalities as research sites, the study examines the impact of unionism in local government, looking particularly at recruitment and selection, training, grievance procedures, compensation, and employer-employee relations. The authors suggest that the power of the unions will increase in the areas of policy making, and that in response to this, administrators should do everything possible to maintain fundamental management prerogatives.

3 Stieber, Jack. *Public Employee Unionism: Structure, Growth, Policy*. Washington, D.C.: The Brookings Institution, 1973.

This is the third volume in the Brookings series of Studies of Unionism in Government. According to Kermit Gordon, President of the Brookings Institution, this study 'examines various types of unions and employee associations in government and shows how their structures, growth patterns, and policies have influenced and will continue to influence collective bargaining in state and local government'.

4 Wellington, Harry H., and Ralph K. Winter. *The Unions and the Cities*. Washington, D.C.: The Brookings Institution, 1971, 226 pages.

A four part examination of unionism and local government. In Part I the limits of collective bargaining in the public sector are explored, and the contemporary setting is discussed. Part II deals with the organization and establishment of collective bargaining, while Part III discusses how the public employer ought to prepare for collective bargaining. Part IV looks at the strike and some alternatives to it.

8   Restructuring and Reorganization

Restructuring decisions are made outside of the local government, affect more than one municipality, and involve a redistribution of responsibilities among jurisdictions. Examples are regionalization and metropolitan government. Reorganization decisions, on the other hand, are made by the local government and involve change in either the political or internal administrative organization structure. More has been written on local government restructuring than reorganization, and this is reflected in the readings listed below.[1]

Articles [2]

1 Stone, B. Douglas, Jr. 'Reorganizing — More Than Drawing a New Chart', *Conducting the People's Business,* edited by W.G. Hills, V.C. Scurlock, H.D. Viaille, and J.A. West. Norman, Oklahoma: University of Oklahoma Press, 1973, pp. 210-215.

In this short article, which originally appeared in *Personnel Administrator,* July-August, 1965, the author provides a number of suggestions as to how to plan and change the organization structure. Among the aspects which must be considered are managerial factors, personnel factors, the informal organization, status, and economic factors.

2 Tennant, Paul, and David Zirnhelt. 'Metropolitan Government in Vancouver: The Strategy of Gentle Imposition', *Canadian Public Administration*, No. 1, 1973, pp. 124-138.

This article describes how metropolitan government came to Vancouver. The policy was essentially to create a local federation type of metro government. The strategy employed was to gently impose an administrative structure without any functions at first, so as not to force local leaders to change too quickly. Resistance to change was thereby minimized.

Reports

1 Bureau of Municipal Research. *Reorganizing Local Government — A Brief Look at Four Provinces.* Toronto: Bureau of Municipal Research, Civic Affairs Bulletin No. 1, 1972, 31 pages.

This study traces the development of regional government in New Brunswick, Ontario, Alberta and British Columbia since 1960. It looks at reasons why the reforms were implemented when they were, and gives particular attention to education, land use planning and water supply and sewage.

2 City of London Management Committee. *Report on the Management Structure for the Corporation of the City of London.* London, Ontario, Corporation of the City of London, May 1, 1974, 41 pages.

The Management Committee, consisting of eight citizens

with management expertise and three department heads, was given the task of assisting City Council in determining an appropriate structure for the management of the City. This report reviews the existing administrative structure in London and other municipalities, sets out several alternatives and makes recommendations as to the optimal choice.

3 City of London Management Committee. *Green Paper on the Decision Making Process, Organization Structure and Method of Election or Appointment of Governing Bodies of the City of London.* London, Onttario: Corporation of the City of London, June 30, 1975, 72 pages.

After considerable study, with particular attention paid to the Hickey Report (listed in Part III-1), the Management Committee selected the most acceptable alternatives for the decision-making process, the organizational structure and methods of election or appointment of the governing bodies of the City of London. In this report, the Committee sets out what it perceives to be the advantages of each alternative. The report is to serve as a basis for constructive public discussion on these topics.

4 Feldman, Lionel D. *Ontario 1945-1973 : The Municipal Dynamic.* 'The Evolution of Policy in Contemporary Ontario Series', No. 5. Toronto: Ontario Economic Council, January, 1974, 47 pages.

The purpose of this review is to provide an analysis of provincial—municipal relations in Ontario from 1945 on, in terms that are revealing and relevant to the Ontario Economic Council's recent project to formulate views on goals for Ontario in the 1980's. This study looks at linkages and developments from 1945-1971 in terms of provincial-local relationships, exclusive of education. The author points out the continuous transfer of services to higher governments, with the local government fading in importance and relevance to citizens at large, and concludes the study with a bleak outlook for the Ontario local government community.

5 Mogulof, Melvin B. *Five Metropolitan Governments.* Washington, D.C.: The Urban Institute, 1972, 145 pages.

Examines five metropolitan governments, all differing in structure, in order to draw some conclusions about the issue of metropolitan governance in general. The five are: the consolidated government of Jacksonville, Florida; the government of urban Dade County, Florida; the federated two-tiered structure in Toronto, Ontario; the multi-function special purpose district in the Portland, Oregon metropolitan area; and the third tier of government established by the state as a planning and policy 'umbrella' in the Minneapolis-St. Paul area of Minnesota.

6 Plunkett, T.J. *Urban Canada: Regional Reform and the Municipal Managerial Dilemma.* Special Bulletin 1973E, Chicago: Municipal Finance Officers Association, 1973, 15 pages.

This report briefly describes the history of urbanization in Canada, the traditional municipal framework in this country and the problems and deficiencies of that framework. The author then looks at the recent local government reforms in the provinces of Quebec and Ontario, and in the municipalities of Winnipeg and Vancouver. He identifies some existing municipal management problems and points the direction for potential solutions.

Books

1 Lord Redcliffe-Maud and Bruce Wood. *English Local Government Reformed.* London, England: Oxford University Press, 1974, 180 pages.

The English local government system was under continuous review by government departments, royal commissions and committees of inquiry from 1958 to 1973. In the last decade, local government has been thoroughly restructured in England. This book reviews this period of reappraisal by first examining the old structure, then looking at the new one and the roles played in it by councils, the community, the local government managers, the central government and the courts. It concludes with a discussion of the state of local governments in England in 1974, its problems and its prospects.

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1 Some of the readings concerning the planning process (Part II-8), and the management of change (Part III-3) also deal with the problems of reorganization and how to handle them.

2 A discussion of local government reorganization and restructuring in various parts of the world may be found in almost every issue of the semi-annual journal *Comparative Local Government*, published by the International Union of Local Authorities, Europinform, 45 Wassenarseweg, The Hague, Netherlands.

55   The community data base is comprised of information about the community which enables decision-makers to consider more factors when making strategic decisions. Much of the literature in this area falls into two categories: social indicators and economic potential studies. Social indicators attempt to measure quality of life. Increasingly, efforts in this field are being focussed on the quality of urban life, and on developing measures which indicate the effect that local government programs have upon it. Economic potential studies look at past and present data on the numerous factors which affect the municipality's tax base and economic strength, then project them into the future, thereby providing a foundation for rational long-range planning.

Social Indicators: Reports

1   Carter, Novia (co-ordinator). *Social Indicators: Proceedings of a Seminar*, January 13-14, 1972. Ottawa: Canadian Council on Social Development, April, 1972, 182 pages.

A report of a Canadian conference on social indicators which provides not only the papers presented but also transcripts of discussions following the papers and workshop reports.

The papers presented were as follows:
(1) 'Social Intelligence and Social Policy', by Dorothy Walters; (2) 'On Looking Before Leaping', by Gail Stewart; (3) 'Social Indicators and Social Reporting in the Canadian North', by Norman Pearson; (5) 'Habitability in the Boreal Zone of Canada', by John E. Page and Mario Carvalho; (6) 'The Need for Social Indicators: The Alberta Case', by Earle Snider; (7) 'The Development of Social Indicators at Statistics Canada', by Hans Adler.

2   Flax, Michael J. *A Study in Comparative Urban Indicators: Conditions in 18 Large Metropolitan Areas*. Washington, D.C., The Urban Institute, April, 1972, 141 pages.

A major study in the field of social indicators which presents indicators of 14 'quality of life' categories including unemployment, poverty, income, housing, health, mental health, public order, racial equality, community concern, citizen participation, educational attainment, transportation, air quality and social disintegration. Using Washington, D.C. to show what can be done with these data, the report goes on to compare the city with its past, compare the level of conditions in Washington with those in other metropolitan areas, and compare Washington's rate of change with those of other large metropolitan areas. Also provides the sources and discusses the limitations of all indicators used.

3   Flax, Michael J. *Indicators of Urban Conditions: Generating More Useful Community Profiles*. A Working Paper. Washington, D.C.: The Urban Institute, June 30, 1973, 18 pages.

The author addresses some conceptual questions involved in the generation and use of descriptive urban indicators commonly referred to as 'community profiles'. He considers the needs of the various users of such data — those people who must make decisions about the municipality and its neighbourhoods, and makes several suggestions as to how the indicators may be improved.

4   Harland, Douglas G. *Health and Welfare Indicators: Current Canadian Research*. Ottawa, Ontario: Department of Regional Economic Expansion, November, 1972, 17 pages. Based on a revised statement prepared for the Chairman's Introductory Remarks, Workshop No. 11, Canadian Conference on Social Welfare, Laval University, 18-22 June, 1972.

A short paper outlining some of the problems involved with social indicators, quality of life measurement and socio-economic models. Discusses Canadian activities in this area — publications available and programs underway. Includes a bibliography of Canadian social indicator literature.

5   Palys, T.S. *Social Indicators of Quality of Life in Canada: A Practical/Theoretical Report*. Winnipeg, Manitoba: Manitoba Department of Urban Affairs, August, 1973, 122 pages.

In this paper the author has attempted to replicate as closely as possible the Flax study described in entry #2, using ten large Canadian urban centres. Winnipeg, Manitoba was used as the reference city for analysis. In presenting his statistics, the author discusses the strengths and weaknesses of the indicators proposed by Flax, and in the end is very critical of them. He does not believe that merely calling a measure a social indicator makes it one. In the final section of the paper the author indicates the type of data gathering and research which he feels 'must be done if we are ever to find objective data which are indicative of "quality of life" '(p. 9).

Social Indicators: Books

1   Bauer, Raymond A. (editor). *Social Indicators*. Cambridge, Massachusetts: The Massachusetts Institute of Technology Press, 1966.

Although nearly ten years old, this book remains a standard text in the rapidly developing field of social indicators. The book consists of articles by five prominent social scientists who discuss the defects of social statistics and put forward proposals as to how to improve information systems and the use of social indicators.

Economic Potential Studies: Reports

1 Canadian Urban Economics Ltd. *Economic Base Research and Analysis.* Regional Municipality of Niagara Official Plan Studies Report No. 5. Burlington, Ontario: Canadian Urban Economics Ltd. in association with Phillips Planning and Engineering Ltd., December, 1971, 121 pages.

Undertaken for the purpose of providing analytical input to a Draft Official Plan for the Region, this study reviews the economic base of Regional Niagara, the forces that have shaped the Region's economy, and the prospects for population and employment growth to the year 1991.

2 Goals for Dallas. *Economic Potentials Handbook Dallas/Fort Worth Metroplex.* Third Edition. Dallas, Texas: Goals for Dallas, 1973, 79 pages.

This handbook is an attempt to quantify and regularly reappraise the probable economic growth of the Dallas-Fort Worth Metropolitan area for the purpose of long-range Goals for Dallas planning. Looks at the economy of the area and the major trends that are affecting it. Provides detailed statistics on the industrial sector of the community as well as on economic and demographic indicators. By extrapolating current trends based on past and present indicators, projections to 1985 are obtained which may be used in long-range planning.

3 Metropolitan and Regional Research Center. *New York City: Economic Base and Fiscal Capacity.* Syracuse, New York: Metropolitan and Regional Research Center for the Maxwell School of Citizenship and Public Affairs, April, 1973, 67 pages.

This report provides an example of how an economic potentials study can detect potential problems before they occur and suggest courses of action to avoid them. This study considered the demographic characteristics of New York City and focused on its economic and tax bases. The city's revenues and expenditures were projected to the end of the decade based on past data and current trends. An enormous gap was projected by 1979, and proposals to avoid it were suggested. These are the same proposals that were put forward in 1975, when the gap reached the crisis point.

4 Walter A. Smith and Company Ltd. *Economic Feasibility Study to Estimate the Potential for Redevelopment of Retail Space in St. Catharines C.B.D.* Richmond Hill, Ontario: Walter A. Smith and Company Ltd., August, 1968, 70 pages.

The main purpose of this study was to define the opportunity that existed for the central business district of St. Catharines to become the downtown shopping centre for Regional Niagara. To do this, data was gathered which would be of use to numerous decision-makers. The first section of the report looks at the economic base of the region, examining the rate of growth of employment and population in relation to growth in other similar-sized Ontario municipalities. Other factors influencing the level of consumer expenditure are identified and all of these statistics are projected into the future (to 1986), based on historical trends and prospects for change. Consumer expenditures are then forecast and appropriate actions based on the forecasts are suggested.

57 Included within the ambit of this topic are physical planning, comprehensive planning (which evolved out of a need to extend planning beyond physical planning), and corporate or strategic planning. Management by objectives may also be considered a part of the planning process, but because of the great volume of literature on this topic, it is treated in a separate section, Part III- 2.

Articles[1]

1 Grey, Alexander. 'Organizing for Corporate Planning', *Local Government Studies*, October, 1972, pp. 9-23.

This article defines 'corporate planning', explaining what it entails and why it is needed by local government. The author goes on to indicate what he feels to be the optimal organization structure for the successful implementation of this system. He then points out the need for a Corporate Planning Department and describes its role, one part of which would be to supervise a reorganization of the municipal government's internal structure.

2 Stewart, J.D. 'Corporate Planning in Local Government', *Long Range Planning Journal,* June, 1973, pp. 18-26.

Discusses the movement towards corporate planning by British local governments and indicates the forces which precipitated this movement. Describes briefly how the system works in Coventry. Presents six characteristics of corporate planning in local government which make it different from private sector applications.

3 Stewart, J.D. 'Developments in Corporate Planning in British Local Governments: the Bains Report and Corporate Planning', *Local Government Studies,* June, 1973, pp. 13-29.

Looks at the recent development of PPB systems and other approaches to corporate planning in British local government. Explains the various documents used in corporate planning – position statements, corporate planning survey reports and program budgets. Discusses the general characteristics of this system and points out some of the problems involved in its implementation.

4 Stewart, Murray (editor). 'Comprehensive Planning for Local Government', P.A. Eddison, from *The City: Problems of Planning,* Middlesex, England: Penguin Books Ltd., 1972, pp. 409-424.

This article explains the convergence of two reform movements in local government – that of management and that of planning (strategic or corporate). The rationality of corporate planning, along with the real world constraints upon it are discussed. Describes the implications for the local government organization and for its relations with other levels of government.

Reports

1 Fort Worth Planning Department. *Citizen Participation and the Sector Planning Process.* Fort Worth, Texas: Planning Department, City of Fort Worth, 1974, 11 pages.

Describes the organization and operation of the sector planning process, in which citizens set goals and decide on the actual plans for their area of the city. The various sector plans are then assembled to form an official plan.

Books

1 Ackoff, R.L. *A Concept of Corporate Planning.* New York: Wiley-Interscience, 1970, 155 pages.

This is a good general introduction to corporate planning, drawing on many examples and anecdotes. Although written for private sector managers, both the concept of corporate planning which is presented and the treatment of goals and objectives, are also applicable to local government.

2 Greenwood, Royston, and J.D. Stewart. *Corporate Planning in English Local Government: An Analysis With Readings 1967-72.* Institute of Local Government Studies, University of Birmingham, London, England: Charles Knight and Company Ltd., 1974, 584 pages.

A fifteen page introduction outlines the INLOGOV approach to corporate planning and ties together the readings in the text. Fifty-five readings are organized into five parts including the emergence of corporate planning, systems used (especially PPB), organization for corporate planning and examples of documents used with this system.

3 Stewart, Murray (editor). *The City: Problems of Planning.* Middlesex, England: Penguin Books Ltd., 1972, 481 pages.

A collection of excellent readings on city planning under the following headings: 'Perspectives'; 'The Urban Process'; 'Location and Structure'; 'The Urban Process Community and Interest'; 'Planning and the Social Sciences'; and 'Power and Legitimacy'.

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1 The reader may be interested to note that there is now a journal devoted entirely to corporate planning. Entitled *Corporate Planning Review*, it is published quarterly by the Institute of Local Government at the University of Birmingham, England.

Part III   Other Selected References

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The last part of this paper attempts to bring together a selection of reading priorities in a number of important areas bearing on organizational change and local government management. These areas are:

1 general readings in local government;
2 management by objectives;
3 the management of change;
4 the change agent;
5 rationality; and
6 evaluation research.

Following these sections are two final sections consisting of lists of:

7 local government oriented organizations; and
8 local government contacts.

It is hoped that the references listed in Part III will be of assistance to those involved in major change programs in local government.

While it is important for local government managers, elected officials and other interested parties to understand the developments in the various areas discussed in Part I, their libraries would not be complete without several publications dealing with local government in general. The reports and books listed below will be helpful in tying together the various areas in which developments are occurring. The periodicals suggested will aid the subscriber in keeping up to date on important advances being made in the public sector in general and local government in particular.

As with all of the bibliographies and lists in this paper, this one is by no means exhaustive. The entries have been carefully selected to give the reader a broad understanding of the topic. If the reader is interested in studying a particular topic in depth, the authors would be pleased to supply him or her with a further list of suggested readings.

Articles

1   Mintzberg, Henry. 'The Manager's Job: Folklore and Fact', *Harvard Business Review,* July/August, 1975, pp. 49-61.

The classical view of the manager is that he organizes, co-ordinates, plans, and controls. The few studies that have analyzed the activities of managers, however, suggest otherwise. These studies show that the manager plays 'a complex, intertwined combination of interpersonal, informational, and decisional roles' (from the abstract). The author urges the manager to recognize this, and to use the resources at his disposal to support his own personality and the nature of his job. The author provides a set of self-study questions to help managers gain the needed insight into themselves and their jobs.

Reports

1   Hickey, Paul. *Decision-Making Processes in Ontario's Local Governments.* Toronto: Ministry of Treasury, Economics and Intergovernmental Affairs, 1973, 310 pages.

In this report, the author examines the decision-making processes of local governments in Ontario and a number of other jurisdictions in North America and Europe, in an effort to identify 'the most acceptable manner to organize the municipal councils and the chief officers in order that the legislative, executive and administrative needs of municipalities may be carried out'. (From the Foreword.)

2   Lithwick, N.H. *Urban Canada: Problems and Prospects.* A report prepared for the Honourable R.K. Andras, Minister Responsible for Housing, Government of Canada. Ottawa: Central Mortgage and Housing Corporation, 1970, 236 pages.

This report reviews the problems which have arisen with the development of urban centres in Canada. The consequences of growth in cities are explored, and some possible future directions for public policy are discussed. One chapter is devoted to developments in planning and policy aimed at hurdling the pressures of rapid urbanization. Barriers to integrated policy are identified; specific examples of how some Canadian municipalities have worked around these barriers are provided. The report also briefly mentions objectives and their importance to policy formulation.

Books

1   Banovetz, James M. (editor). *Managing The Modern City.* Washington, D.C.: International City Management Association, 1971, 454 p.

A text book on urban management consisting of 17 chapters by various authors, this book approaches the subject from the viewpoint of the chief administrator and the overall perspective needed for effective responsible government. 'It focuses upon the role of the administrator; leadership and decision-making, organization theory, computer technology and other tools, administrative planning and analysis, and personnel, finance, public relations and other administrative functions' (from the Foreward).

2   Drucker, Peter F. *The Practice of Management.* New York: Harper and Brothers, 1954, 398 pages (also listed in Part III-2).

A classic book that analyzes the nature of management of a business, of employees and of other managers. The author not only describes what management is but also provides a guide to enable managers to evaluate their own performance, to diagnose their weaknesses and to improve their effectiveness. This is still an important book in the field of management.

3   Drucker, Peter F. *The Effective Executive.* New York: Harper and Row, 1966, 174 pages.

Based on the premise that effectiveness can and must be learned, the author identifies five habits or practices which an executive must acquire if he is to be successful. They are managing time effectively, determining what to contribute to the particular organization, knowing where and how to mobilize strength for optimal effect, setting the right priorities and making effective decisions.

4   Garrett, John. *The Management of Government.* Pelican Library of Business and Management, Middlesex, England: Penguin Books Ltd., 1972, 303 pages.

This book examines British public administration under the following eight headings: 'Managers and Environment'; 'The Fulton Report'; 'Organization'; 'Planning'; 'Control'; 'Accountable Management' (including a good

discussion of MBO and how it is used in the British Civil Service); 'Management Services and Efficiency Audit'; and 'Personnel Management'. A list of references is included. The section on planning discusses corporate planning briefly, and PPB more fully. Reference is made throughout to practices in the U.S., Canada and Europe.

5 Hawley, Willis D., and David Rogers (editors). *Improving the Quality of Urban Management*, Vol. 8, *Urban Affairs Annual Review*, Beverly Hills, California: Sage Publications, 1974, 639 pages.

This book embodies one of the few attempts outside of the LGMP to tie together and to provide an overview of the new approaches to improving local government management which have been proposed and experimented within the last decade. The nineteen chapters, written by different authors, cover performance measurement, management information systems, structural changes, PPB, systems analysis, decentralization, organizational development, alternatives to local government monopolies on certain services, and barriers to change.

6 Hills, William G., Voyle C. Scurlock, Harold D. Viaille and James A. West (editors). *Conducting the People's Business.* Norman, Oklahoma: University of Oklahoma Press, 1973, 448 pages.

A collection of 62 readings in public administration compiled with the practitioner in mind, covering the nature of public administration, planning and PPB, organization, reorganization and OD, developing and directing human resources, management controls, and public sector unions.

7 Mintzberg, Henry. *The Nature of Managerial Work.* New York: Harper and Row, 1973, 288 pages.

In an attempt to find out precisely what managers do, the author watched five managers each for one week and recorded their verbal contacts, phone calls and handling of mail in chronological order. He then categorized the purpose of each contact and from them drew some conclusions about the content and characteristics of managerial work. The author sees each manager as having ten roles to play and on the basis of this, provides advice to managers, teachers and scientists as to how to increase their effectiveness.

8 Self, Peter. *Administrative Theories and Politics.* Toronto, Ontario: University of Toronto Press, 1974.

This book deals with administrative organizations and behaviour and consists of two parts. Part I covers such topics as the organization of government, competition and co-ordination, and staff and line problems. The second part discusses politicians and administrators, advice and appraisal, motivation, performance and the difficulties and dilemmas of administrative work.

9 Steward, J.D. *Management in Local Government: A Viewpoint.* London, England: Charles Knight and Company, 1971, 186 pages.

This book is not a text explaining the management system of local government but rather states the author's viewpoint on the subject, and examines the need for change and the possibilities of new approaches.

Periodicals

The first two periodicals listed below will give the subscriber a working knowledge of the broad developments occurring in the field of public administration, while the latter two focus more directly on developments in the local government sphere. Of the latter two, *Public Management* is more of a popular magazine, generally consisting of contributions by municipal officials while *Local Government Studies* contains articles by researchers as well as municipal officials.

1 *Canadian Public Administration* —
   published quarterly — $20.00/year.
   Obtainable from:
   Executive Director
   Institute of Public Administration of Canada
   897 Bay St.
   Toronto, Ontario M5S 1Z7

2 *Public Administration Review* —
   published bimonthly — $25.00/year
   Obtainable from:
   Subscription Officer
   American Society for Public Administration
   1225 Connecticut Ave., N.W.
   Washington, D.C. 20036

3 *Public Management* —
   published monthly — $8.00/year
   Obtainable from:
   Executive Director
   International City Managers' Association
   1140 Connecticut Ave., N.W.
   Washington, D.C. 20036

4 *Local Government Studies* —
   published quarterly —£10-25/year
   Obtainable from:
   Mr. Greenfields
   Benn Brothers Ltd.
   125 High Street
   Colliers Wood
   London, England
   S19 2JN

2 Management by Objectives[1]

While management by objectives (MBO) may be described as part of the planning process, it is treated here as a separate topic, because of the great amount of literature in this area. A large number of readings are suggested here because it is crucial that individuals involved or considering involvement in organizational change fully understand the goal and objective setting process. Other important topics covered in the readings include how a system like MBO can be and has been applied in the public sector, the problems which are likely to occur in implementing such a system, and how to deal with these problems.

Articles

1 Baker, W. 'Management by Objectives: A Philosophy and Style of Management for the Public Sector', *Canadian Public Administration*, Autumn, 1969, pp. 429-443.

The author investigates MBO as a system of management for the public sector. He goes through the process of MBO in some detail, and looks at common dangers, pitfalls and problems which often crop up. The author cautions against MBO in certain situations often found in public sector organizations, but generally feels that it is appropriate for all levels of government.

2 Brady, Rodney H. 'MBO Goes to Work in the Public Sector', *Harvard Business Review*, March/April, 1973, pp. 65-74.

The U.S. Department of Health, Education and Welfare has been using MBO since 1970. Based on this experience, the author discusses three difficulties which arise with public sector MBO: 1) no well-defined goals; 2) difficulty of determining costs and benefits; and 3) the need to operate on a relatively short cycle because of the political nature of public sector management.

3 Eddison, T. 'Management by Objectives in Local Governments', *Local Government Finance*, February, 1970, pp. 59-63.

This article seeks to explain MBO, expose its limitations and give guidance to its application in local government. The author discusses MBO's relation to PPB, guidelines to implementation, key tasks and their analysis, the role of the advisor, job review, and the problems and advantages of MBO. Includes a helpful chart of sample key tasks and performance standards.

4 Figler, Homer R. 'Goal Setting Techniques', *Management Accounting*, November, 1971, pp. 25-27.

This article defines goal setting and identifies five requirements for its success. The author suggests that the fundamental aspects of goal setting are applicable both in a full scale management improvement program and as a personal technique of management.

5 Goddard, E.E. 'Change and Management by Objectives in the G.L.C.', *Local Government Studies*, October, 1971, pp. 33-39.

The author compares the MBO and PPB approaches, both of which have been tried by the Greater London Council, then goes on to describe the pilot MBO project undertaken by the G.L.C. He discusses the results of the study and some of the problems encountered.

6 Jamieson, Bruce D. 'Behavioural Problems with MBO', *Academy of Management Journal*, September, 1973, pp. 296-505.

This article is concerned with some of the often neglected behavioural problems which may occur in an MBO application. Problems related to managerial styles, objective setting, performance measurement and quality control are discussed.

7 Levinson, Harry. 'Management by Whose Objectives?', *Harvard Business Review*, July/August, 1970, pp. 125-134.

A criticism of the ordinary MBO appraisal process. The author points out some major problems with MBO and ties them to 'missing the whole human point'. He says that MBO is based on a 'reward-punishment psychology', thereby increasing the pressure on the individual, and offers suggestions on how to overcome these limitations.

8 Levinson, Harry, George Strauss, and Walter Mahler. 'Management by Objectives, a Critical View', *Training and Development Journal*, April, 1972, pp. 2-23.

Three articles adapted from the authors' presentation at a 1971 New York City seminar sponsored by Cornell University, with an introduction by Wallace Wohlking. Levinson compares and contrasts the Odiorne and Drucker views of MBO, discussing what he feels to be inherent problems with the way MBO is practiced. Strauss also looks at problems which arise from MBO in practice, and suggests some realistic limitations to its use. Mahler discusses the benefits, problems and practices encountered in on-going organizational applications, focusing on the planning and controlling functions in an MBO system.

9 McConkey, Dale D. 'MBO — Twenty Years Later Where Do We Stand?', *Business Horizons*, August, 1973, pp. 25-36.

The author outlines the evolution of MBO from its start with Douglas McGregor in 1954 through 1973, looking at its impact on management and the extent of its adoption. He describes the various managerial functions and discusses how MBO relates to them. He also makes a brief presentation of what he feels the future holds in store for MBO.

10 Newland, Chester A. 'MBO Concepts in the Federal Government', *The Bureaucrat*, Vol. 2, No. 4, Winter, 1974, pp. 354-361, 421-425.

The author believes that while the surface mechanics of MBO are relatively simple, the underlying concepts and processes which make it an effective management system are complex, and that it is necessary to understand both.

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1 Readings relating to evaluating the effectiveness of MBO are listed in Part III-6 on evaluation research.

Thus he first discusses the key elements of MBO, then investigates some of the underlying administrative concepts. The first segment of the article concludes with a list of five common obstacles of MBO and three factors particular to the public sector which tend to limit the effectiveness of MBO. The second segment of this article discusses the prospects for MBO in the U.S. Federal Government, highlighting three major problems which must be dealt with before MBO could gain widespread acceptance.

11 Tosi, Henry L. 'Effective and Ineffective MBO', *Management by Objectives*, Vol. 4, No. 3, 1975, pp. 7-14.

The author suggests that the central requirement for an 'effective' MBO process is that managers 'use the process as a matter of course — as opposed to feeling forced to employ the process' (p. 7). He describes seven problems which tend to occur in most applications of MBO and makes some suggestions as to how they may be overcome. The second part of the article breaks down the implementation process into four stages which are briefly described.

Reports

1 Garrett, John, and S.D. Walker. *Management by Objectives in the Civil Service*. Civil Affairs Section, Occasional papers #10, London, England: H.M.S.O., February, 1969, 12 pages.

This report summarizes the central elements of MBO and discusses its application to the British Civil Service. The effect on MBO systems of the differences between private and public sector organizations are discussed; the need for accurate cost data and measurement of performance is stressed. Finally, the authors suggest an approach to MBO in the public sector which involves commencing in departments where output is most easily quantified.

2 Warren, Forrest. *What You Always Wanted to Know About MBO (But Were Afraid to Ask)*, Presented to the League of California, October, 1973, Pasadena, California: California Institute of Technology, 1973, 9 pages.

Referring often to municipal examples, particularly the Pasadena MBO project, this paper attempts to answer the following questions about MBO.

1 Why does anyone need a management system like MBO?
2 What are the prerequisites to implementing an MBO system?
3 Is there a practical and simple approach that works?
4 Can you give some examples of how the MBO concepts are applied?
5 What are the most common pitfalls to avoid?
6 Is it all worth the extra effort?

Books

1 Carroll, Stephen J. Jr., and Henry L. Tosi, Jr. *Management by Objectives: Applications and Research*. New York: MacMillan Co., 1973, 209 pages.

An important text which discusses MBO applications and research in North America. The authors discuss the many aspects of MBO from the vantage point of their own research and the very few other research studies that have been conducted on this topic. They emphasize the behavioural aspects of MBO to a greater extent than most other texts.

2 Drucker, Peter F. *The Practice of Management*. New York: Harper and Row, 1954 (also listed in Part III-1).

This book contains the first statement of the theory and practice of MBO. While much of the book describes in general the role of management in organizations, several chapters are devoted to MBO philosophy and process, including a description of how and by whom objectives should be set.

3 Glendinning, J.W., and R.E.H. Bullock. *Management by Objectives in Local Government*. London, England: Charles Knight & Co., 1973, 225 pages.

The result of a project in which MBO was implemented in three departments of three municipalities, this book gives a good description of the application of MBO to local government, and provides some guidance to other municipalities. The four sections of the book present the essentials of MBO, a description of the project, the implications of the project and suggested guidelines, and three well documented case histories.

4 Humble, J.W. *Management by Objectives in Action*. London, England: McGraw-Hill, 1970.

The author describes some of the basic concepts of MBO, then provides editorial comments on a number of selected readings written by individuals involved in MBO systems. Several basic requirements for success are illustrated in many of the readings. These include commitment at the top of the organization, flexibility, high quality consultants at the start and constant attention to maintain commitment and enthusiasm throughout the organization.

5 Odiorne, George S. *Management Decisions by Objectives*. Englewood Cliffs, New Jersey: Prentice-Hall Inc., 1969.

The author concentrates on how to establish objectives, gather facts, identify problems, search for optimal solutions, take action, and control the effects of decisions. The book also deals with the art of management, management of time, and some of the tools available to decision-makers such as sampling and probability theory.

6 Raia, A.P. *Managing by Objectives*. Glenview, Illinois: Scott Foresman Ltd., 1974, 195 pages.

A good text exploring the MBO concept and following the MBO process through from strategic plans down to individual objectives. The author describes problems in implementing MBO, gives guidelines for setting objectives, and provides an up-to-date bibliography.

3 The Management of Change

Experience has shown that when a substantially different management system is implemented by an organization, the road to improved organizational effectiveness is not easy. Numerous problems are bound to arise. Individuals involved in an organizational change process should be aware of the kind of difficulties which may occur, be able to anticipate them and be prepared to deal with them. Primary among the problems to be encountered is resistance to change. Thus, while the following readings cover a number of problem areas, the emphasis is on avoiding or dealing with resistance to change.

Articles

1 Klein, Donald. 'Some Notes on the Dynamics of Resistance to Change', *Changing Organizational Behaviour,* edited by A. Bartlett and T. Kayser. Englewood Cliffs, New Jersey: Prentice Hall Inc., 1973.

The author suggests here that resistance is a necessary aspect of change and that without resistance to some degree, the 'changees' might be overwhelmed by the interventions of the change agent. Those who resist change initially seem to be better able to handle problems later on than those who go along with the change without any resistance. In explaining the phenomenon of resistance to change, the author suggests that it is a conscious or subconscious attempt to maintain one's integrity (self-esteem, competence, autonomy) and should be dealt with as such, even though the behaviour may seem irrational.

2 Lawrence, Paul R. 'How to Deal with Resistance to Change', *Harvard Business Review*, May/June, 1954, pp. 49-57.

In this classic article the author says (at p. 49) that 'the key to the problem [resistance to change] is to understand the true nature of the resistance ... what employees resent is not the technical aspect but rather the social aspects of the change ... the changes in their human relationships that generally accompany technological change'. Thus the change agent must have a keen awareness of the specific social arrangements that will be sustained or threatened by the change, and know how to deal with them.

3 Lewin, Kurt. 'Group Decision and Social Change', *Readings in Social Psychology*, edited by T.H. Newcomb and E.L. Hartley, New York: Holt, Rinehart and Winston, 1947, pp. 340-344.

In this article, the author introduced a useful way of looking at the management of change called 'force-field analysis'. Any situation in which change is to be attempted may be viewed as a dynamic balance of forces working in opposite directions. 'Driving forces' move the organization in the direction of the desired change while 'restraining forces' work in the opposite direction. Permanent organizational change requires three steps: 'unfreezing' – identifying and acting on the driving and restraining forces; 'moving' – introducing the change; and 'refreezing' – reinforcing the desired behaviour and stabilizing the system at a new equilibrium.

Books and Parts of Books

1 Beckhard, Richard. *Organization Development: Strategies and Models.* Reading, Mass.: Addison-Wesley Publishing Co., 1969, 119 pages (also listed in Part II-6).

In dealing with the topic of managing change, the author lists what he feels to be the ten prerequisites for a successful change program in any organization (p. 97).

1 There is pressure from the environment for change.
2 Some strategic person or people are 'hurting'.
3 Some strategic people are willing to do a real diagnosis of the problem.
4 There is leadership (consultant, key staff man, new line executive).
5 There is collaborative problem identification between line and staff people.
6 There is some willingness to take risks in trying new forms or relationships.
7 There is a realistic, long-term time perspective.
8 There is a willingness to face the data of the situation and to work with it on changing the situation.
9 The system rewards people for the *effort* of changing and improvement, in addition to rewarding them for short-term results.
10 There are tangible intermediate results.

2 Hage, T., and H. Aiken. *Social Change in Complex Organizations.* New York: Random House, 1970.

The authors hypothesize that certain characteristics of organizations encourage acceptance of change while others discourage it, and then identify those characteristics. They also look very carefully at the four stages in the change process – evaluation, initiation, implementation and routinization, discuss the types of resistance that are likely to occur during these stages, and suggest how it can be avoided.

3 Lippitt, Gordon L. *Organizational Renewal.* New York: Appleton Century Crofts, 1969, 321 pages (especially pp. 143-158).

The author identifies the types of changes which organizations undergo, the forms that resistance to change may take, and the many reasons why resistance occurs. He also provides 18 concrete suggestions on strategies to overcome resistance.

4 Raia, Anthony P. *Managing by Objectives.* Glenview, Illinois: Scott Foresman and Company, 1974, pp. 148-172 (also listed in Part III-2).

Chapter 9 of this book, entitled 'Installing the MBO System', looks at ten of the most common problems encountered, briefly notes some of the major findings of other authors on the causes of resistance to change, identifies characteristics common to successful change efforts and conditions which contribute to the failure of such efforts, and finally presents a case study dealing with the introduction of MBO to the Purex Corporation.

65 A change agent is an individual who stimulates and guides change in an organization through deliberate planned intervention. Almost all organizations which have embarked on a change program, be it management by objectives (MBO), organizational development, or whatever, have felt the need for a change agent. Often he is an expert from outside the organization; sometimes he is a specially trained individual within the organization, and sometimes both are used.[1]

The role of the change agent is difficult, but is one which must be understood by the managers in the organization undergoing change. The readings listed below have been selected to give those involved or considering involvement in organizational change programs a fuller understanding of the functions and problems encountered by both types of change agents.

Articles

1 Ferguson, Charles K. 'Concerning the Nature of Human Systems and the Consultant's Role', *Journal of Applied Behavioral Science*, Vol. 4, No. 2, pp. 179-193. (Included in *Organizational Development: Values, Process and Technology*, N. Margulies and A.P. Raia (1972) listed in Part II-6.)

The author describes organizations as systems composed of numerous human subsystems along the boundaries of which collaboration or competition, fit or fissures may occur. Consultants, he says, try to help the organization solve its problems along the interfaces or boundaries of the subsystem. A list of tasks the consultant may perform to fulfill this role is provided with some discussion of each.

2 Frean, D.H. 'Training MBO Advisers', *Management by Objectives in Action,* edited by J.W. Humble, pp. 190-209. London, England: McGraw-Hill, 1970.

This article also emphasizes the need for internal change agents or 'management analysts', and provides a good description of the various functions of these people. After dealing briefly with selection criteria for management analysts, the author describes in some detail what they must be trained to do and how to go about it.

3 Ganesh, S.R. 'Choosing an OD Consultant', *Business Horizons,* Vol. 14, No. 5, October, 1971, pp. 49-55.

The author feels that consultants generally take one of two approaches to solving organizational problems – a systematic relationship orientation or a human relationship orientation. The former focuses on the social systems in the organization and deals with inter-group relationships, as well as the organization's relationship to its environment. The latter focuses on inter-personal relationships and personnel development. The author provides some guidelines to help the organization in choosing the best type of consultant for its present needs.

4 Tennant, Charles, 'Training Management Advisers', *Management by Objectives*, Vol. 1, No. 2, October, 1971, pp. 21-25.

Because most managers experience difficulty in expressing their responsibilities in terms of objectives, and because installation of MBO creates resistance to change, the author feels that there is a strong need for an internal change agent. Care is needed in choosing and training the right man for the job. This article describes the results of an intensive training course for internal change agents in which the author was involved.

Books and Parts of Books

1 Freedman, Arthur M. 'Organization Development in a State Mental Health Setting', Chapter 10 of *Current Perspectives in Organization Development,* J. Jennings Partin (editor), Reading, Massachusetts: Addison-Wesley Publishing Co., July, 1973, pp. 194-210.

A case history of the experience of an internal consultant in a public sector organization. The author describes his approach to such issues as: 1) identifying the client; 2) diagnosing the situation; 3) intervention styles; 4) values of the consultant and the organization; 5) the psychological contract between consultant and client; 6) the relationship between training and OD; and 7) evaluation of the consultant's effectiveness.

2 French, Wendell L., and Cecil H. Bell, Jr. 'Issues in Consultant-Client Relationships', Chapter 16 of *Organizational Development*, Englewood Cliffs, New Jersey: Prentice-Hall., Inc., 1973, pp. 171-181. (This book is listed in Part II-6.)

In this chapter, the authors make suggestions as to how to resolve some of the issues which arise in consultant-client relationships. Included are discussions about whether an individual or the system is the client, matters of trust, the nature of the consultant's expertise, the contract, diagnosis and appropriate interventions, the nature and depth of interventions, the consultant and consultant teams as models, action research as it relates to the organizational development process, and client dependency.

3 Margulies, Newton, and John Wallace. 'The Use of Internal Consulting Teams', Chapter 9 of *Organizational Change: Techniques and Applications*, Glenview, Illinois: Scott Foresman and Co., 1973, pp. 139-153. (This book is listed in Part II-6.)

This chapter looks at the nature of the consultative process and describes the role of the external consultant. The authors then present a model for using an internal consulting team, providing an illustrative case to demonstrate how it can facilitate organizational change.

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[1] The Local Government Management Project employs both types of change agents: the Project Team from Queen's University are the external change agents, while the Project Leaders, employees of each of the participating municipalities, are the internal change agents or consultants.

A number of the areas of development in local government management described in Part I emphasize the need for a more rational approach to decision-making. Advocates of PPB, the various tools of systems analysis, and in some cases MBO, suggest a decision-making process involving a number of steps including:

1 stating the need in terms of measureable objectives;
2 generating a number of possible alternatives;
3 analyzing the probable costs and benefits of each alternative;
4 selecting the optimal plan of action; and
5 feeding back the results and comparing them to expectations.

Other writers and practitioners have criticized management systems requiring rational decision-making. They feel that it is both inevitable and desirable that policy decisions be made from a narrow array of choices. They also contend that better decisions are reached when the various interests to be considered are represented by partisan protagonists rather than all being taken into account by an unbiased decision-making process.

Thus while some advocate a systematic, refined approach to managing public sector organizations, others argue that managers are better off working within the existing political decision-making process. The readings listed below will give the reader a grounding in some of the arguments for and against the rational approach to decision-making in the public sector.

Articles

1 Eddison, P.A. 'Comprehensive Planning for Local Government', *The City: Problems of Planning,* ed. Murray Stewart, Middlesex, England: Penguin Books Ltd., 1972, pp. 409-424 (particularly pp. 413-417). (Annotated in Part II-10.)

2 Lindblom, Charles E. 'The Science of "Muddling Through" ', *Public Administration Review*, Vol. 19, Spring, 1959, pp. 79-88.

Lindblom is one of the major opponents to rational approaches to decision-making, and this classic article discusses some of his reasons. He suggests that good policy decisions may be arrived at by using a system of successive limited comparisons resulting in incremental changes.

3 Milward, Robert E. 'PPBS: Problems of Implementation', *Journal of the American Institute of Planners,* March, 1968, pp. 88-94. (Annotated in Part II-5.)

4 Schick, Allen. 'A Death in the Bureaucracy: The Demise of Federal PPB', *Public Administration Review,* March/April, 1973, pp. 146-156. (Annotated in Part II-5.)

5 Wildavsky, Aaron. 'The Political Economy of Efficiency', *Public Interest,* Summer 1967, pp. 29-48.

The author looks at some of the popular means of achieving efficiency in the public sector — cost/benefit analysis, systems analysis and program budgeting — and points out that much more is involved than mere economizing. Government is a political process, consequently political costs, benefits and constraints must be considered as well. Despite the difficulties with rational decision-making, the author feels that the public sector must move in this direction if it is to maintain and increase its effectiveness.

Books and Parts of Books

1 Mosher, Frederick C., and John E. Harr, *Programming Systems and Foreign Affairs Leadership: An Attempted Innovation.* New York City: Oxford University Press, 1970, 261 pages, (especially pp. 203-207).

A short discussion of the rationality of decision-making in the area of foreign affairs as related to the less than successful implementation of PPBS in the U.S. State Department. Points out some of the problems with the rational approach applicable to other areas of public administration.

2 Self, Peter. *Administrative Theories and Politics.* Toronto, Ontario: University of Toronto Press, 1973, 300 pages, (especially pp. 19-54).

This part of the book traces the development of administrative theories from the time of Frederick Taylor's studies in industrial management. The author discusses the rise of the rational decision-making process under Herbert Simon and others, as well as the criticisms of it by such authors as Lindblom and Braybrooke.

67 Any large scale organizational change program should have a documentation and evaluation component. It is important that the program be fully documented so that others may learn from the experience, and evaluated so that the reliability, validity and significance of the results may be determined.

Surprising as it may seem, very few evaluation studies have been carried out in connection with organizational change programs. Often, such programs are carried out in the absence of any evaluation, so that at their completion there are no verifiable changes, no investigation of the differences between the 'before' situation and the 'after' situation, and no effort to determine the underlying causes of the changes.

Obviously, laboratory type accuracy of measurement is not possible in programs introducing change to complex organizations. However, meaningful evaluation research is possible and will assist in determining whether or not the desired change has taken place.[1]

It is important that internal change agents and managers involved in organization change have some insight into the nature of evaluation research and be familiar with some of the change programs which have been rigorously documented and evaluated. Thus the readings below are grouped into three categories; evaluation research, MBO studies, and others.

Evaluation Research

1 Campbell, D.T. and J.C. Stanley. *Experimental and Quasi-Experimental Designs for Research*. Chicago: Rand McNally, 1966.

This is a classic book in this field, describing in detail a number of designs for social study experiments. The strengths and weaknesses of each are presented and threats to the validity of the research on any project are fully discussed.

2 Gordon, Gerald, and Edward V. More. *Evaluation Research: A Critical Review*. 1974, 46 pages. (Available from Professor Gerald Gordon, 387 Ives Hall, Cornell University, Ithaca, New York, 14853.)

This report describes the current practice of evaluation research and looks at the social factors which have shaped and determined its present state. A discussion of a number of methodological factors which affect the quality of evaluation research is followed by the findings of a survey of evaluation articles found in *Sociological Abstracts*. The three year survey was undertaken by the authors to determine the level of quality of information generated by such studies.

3 Kimmel, Wayne A., William R. Dougan and John R. Hall. *Municipal Management and Budget Methods: An Evaluation of Policy Related Research,* Final Report Volume 1: *Summary and Synthesis,* Washington, D.C.: The Urban Institute, December, 1974, 150 pages. (Annotated in Part II-5.)

4 Suchman, Edward A. *Evaluative Research: Principles and Practice in Public Service and Social Action Programs.* New York: Russell Sage Foundation, 1967, 186 pages.

A good general text on evaluation of public sector programs based on the author's widespread experience in the field. This book covers the concepts and principles behind evaluative research, types and categories, research design, measuring results, administration of an evaluation research study, and proper usage of the findings.

5 Van Maanen, John. *The Process of Program Evaluation: A Guide for Managers.* Washington, D.C.: National Training and Development Service, 1973, 78 pages.

This book focuses on the evaluation of programs designed in some way to change individuals, groups or whole organizations. The author takes a realistic approach in making procedural hints and suggestions to the evaluator.

6 Weiss, Carol H. *Evaluation Research: Methods of Assessing Program Effectiveness,* Englewood Cliffs, New Jersey: Prentice-Hall Inc., 1972, 160 pages.

Another good text dealing with the application of research methods to the evaluation of social programs. The author makes a determined effort to acquaint the reader with the realities of evaluation research. The book focuses on the structures within which evaluation takes place, as well as methods and techniques suited to the evaluative task. It helps the reader to conceptualize and understand evaluation research and offers advice on how to do it.

MBO Studies

1 Ivancevich, J.M., J.H. Donnelly and H.L. Lyon. 'A Study of the Impact of Management by Objectives on Perceived Need Satisfaction', *Personnel Psychology*, Vol. 23, No. 2, 1970, pp. 139-151.

The authors hypothesized that an MBO program would have a greater effect on job satisfaction of participants if implemented through top management rather than

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1 The Local Government Management Project has an extensive documentation and evaluation component. All events and developments during the course of the Project are to be thoroughly documented and analyzed. This documentation is to be published periodically during the course of the Project. The evaluation research techniques include interviews and the administration of a questionnaire to all participants. A 91 page paper entitled *Research Component* has been prepared by LGMP staff. The paper looks in some depth at the state of the art of evaluation research and describes how this will be applied in the LGMP. Copies are available from the Project Team.

through the personnel department, and that MBO training would have only a minor effect on job satisfaction if not continually reinforced. These hypotheses were borne out by the research.

2 Ivancevich, J.M. 'A Longitudinal Assessment of Management by Objectives', *Administrative Science Quarterly,* Vol. 17, 1972, pp. 126-138.

The author administered research instruments six months and eighteen months after the project described in the preceeding entry was completed. The original hypotheses were confirmed.

3 Ivancevich, J.M. 'Change in Performance in a Management by Objectives Program', *Administrative Science Quarterly,* Vol. 19, December, 1974, pp. 563-574.

This article describes an empirically based longitudinal study of performance in a manufacturing company using MBO. The performance of the subordinates of 181 supervisors involved in the MBO program was analyzed. The article includes consideration of the problems of time lag, reinforcement, and sustaining improvements in performance.

4 Raia, A.P. 'Goal Setting and Self-Control', *Journal of Management Studies,* Vol. 1, No. 2, 1965, pp. 34-53.

The author hypothesized that a goal setting program in 15 plants of the Purex Corporation would improve managerial performance and the attainment of company objectives. Using a number of research instruments, he found a non-causal link between attitude measures and increases in productivity.

5 Raia, A.P. 'A Second Look at Management Goals and Controls', *California Management Review,* Vol. 8, No. 4, 1966, pp. 49-58.

This article describes the author's findings when he returned to the Purex Corporation a year after the completion of the goal setting program mentioned in the preceeding entry to determine the impact of the program.

6 Tosi, H.L., and S.J. Carroll. 'Managerial Reaction to Management by Objectives', *Academy of Management Journal,* Vol. 11, 1968, pp. 415-426.

The authors helped a large manufacturing company to implement MBO in order to study the factors which affect the acceptance of, and satisfaction with, the program by individuals. They found a strong link between managerial support and acceptance of the program. Satisfaction with the program was found to be linked with goal clarity and frequency, and objectivity of feedback.

7 Tosi, H.L. and S.J. Carroll. 'Some Factors Affecting the Success of Management by Objectives', *The Journal of Management Studies,* 1970, pp. 209-223.

The authors hypothesized that the success of the MBO approach would be influenced by the way in which goals were established. Research involving a medium-sized national firm confirmed this, and the authors were able to establish a hierarchy of preferred goal characteristics.

8 Tosi, H.L., and S.J. Carroll. 'Some Structural Factors Related to Goal Influence in the Management by Objectives Process', MSU Business Topics, Vol. 17, 1969, pp. 45-50.

Through interviews with 50 managerial staff members from vice-president to foreman, the authors determined that 'influence' in the goal setting process was a predominant factor in the success of the MBO program.

9 Tosi, H.L., J.R. Rizzo, and S.J. Carroll. 'Setting Goals in Management by Objectives', *California Management Review,* Vol. 12, No. 4, 1970, pp. 70-78.

The authors examined the success of an MBO program in a large firm as it was affected by certain personality characteristics of participating managers, and found a number of significant correlations.

Other

1 Frank, James E. 'A Framework for Analysis of PPB Success and Causality', *Administrative Science Quarterly,* Winter, 1973, pp. 527-543.

Based on his investigations of PPB experiences in Dade County, Florida, the State of Florida, Philadelphia, Pennsylvania, and New York State, the author has constructed a framework for the analysis of PPB success which can be used for subsequent cross-case comparisons. The framework consists of two major elements: 1) a typology of success variants which is useful in determining degrees of success; and 2) a set of causal variables, both technical and behavioural, which can be employed in determining what contributes to varying degrees of PPB success.

7   Local Government Oriented Organizations

69 During the course of their research, the Queen's Project Team has contacted numerous organizations involved in some way with local government. Listed below are the names and addresses of a few of the more important of such organizations, with a contact person provided for each. If the work of the organization is focused primarily on one of the ten areas of development described in Part I rather than in most or all of them, that area is noted above the name of the contact person. Further information about these organizations is available on request from the Project Team or the contact persons themselves.[1]

Canada

1 Bureau of Municipal Research
   Suite 406, 4 Richmond St. E.
   Toronto 1, Ontario

   Contact: Mr. C.K. Bens, Executive Director

2 Canadian Federation of Mayors and Municipalities
   816-56 Sparks St.
   Ottawa, Ontario K1P 5A0

   Contact: Mr. Guy Levesque, Administrator

3 Institute of Public Administration of Canada
   897 Bay St.
   Toronto, Ontario M5S 1Z7

   Contact: Mr. Joe Galimberti, Executive Director
             Mr. Walter Tuohy, Director,
             National Information
             Program/Clearing House

4 Ministry of State for Urban Affairs
   373 Sussex Drive
   Ottawa, Ontario

   Contact: Mr. David Dunlop
             (see Part III - 8 under 'Urban Management')

United States

1 American Institute of Planners
   1776 Massachusetts Ave. N.W.
   Washington, D.C. 20036

   Area: The Planning Process

   Contact: Mr. Thomas H. Roberts,
             Executive Director

2 American Society for Public Administration
   1255 Connecticut Ave. N.W.
   Washington, D.C. 20036

   Contact: Mr. John Garvey, Jr., Executive Director

3 Council on Municipal Performance
   84 Fifth Avenue
   New York, N.Y. 10011

   Area: Performance Measurement and
          Community Data Base

   Contact: Dr. John Tepper Marlin, Director

4 International City Management Association
   1140 Connecticut Ave. N.W.
   Washington, D.C. 20036

   Contact: Mr. Mark E. Keane, Executive Director
             Mr. John L. Pazour, Director
             ICMA Productivity Projects
             (Nashville-Davidson/St. Petersburg project)

5 Municipal Finance Officers Association
   (United States and Canada)
   1313 East 60th St.
   Chicago, Illinois 60637

   Area: Financial Resource Management

   Contact: Mr. Donald W. Beatty, Executive Director

6 National Commission on Productivity and Work Quality
   2000 M Street, N.W.
   Washington, D.C. 20036

   Area: Performance Measurement

   Contact: Mr. George Kuper, Executive Director

7 National Training and Development Service
   1140 Connecticut Ave. N.W.
   Washington, D.C. 20036

   Area: Organizational Development and
         Human Resource Management

   Contact: Mr. Fred Fisher, Vice-President

8 New York City - Rand Institute
   545 Madison Ave.
   New York, N.Y. 10022

   Area: Systems Analysis

   Contact: Dr. Robert A. Levine, Director

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1   The contact persons listed with each organizations were correct at
    the time of publication of this paper.

9 Public Sector Productivity Institute Inc.
  1551 Kellum Place
  Mineola, New York 11501

  Area: Performance Management

  Contact: Mr. Vincent J. Macri, President

10 The Urban Institute
  2100 M St. N.W.
  Washington, D.C. 20037

  Area: Performance Measurement and
        Financial Resource Management

  Contact: Mr. Harry P. Hatry, Director
           Mr. Michael J. Flax

Great Britain

1 Chartered Institute of Public Finance and Accoun-
  tancy (formerly the Institute of Municipal Treasurers
  and Accountants)
  1 Buckingham Place
  London, SW1E 6HS
  England

  Area: Financial Resource Management

  Contact: Mr. P.B. Kershaw, Secretary

2 Institute of Local Government Studies
  University of Birmingham
  P.O. Box 363
  Birmingham B1J 2TT
  England

  Area: Systems Analysis and the Planning Process

  Contact: Professor J.D. Stewart

3 Institute for Operational Research of the Tavistock
  Institute of Human Relations
  4 Coptall House
  Station Square
  Coventry, CV1 2PP
  England

  Area: Systems Analysis

  Contacts: Messrs. Allan Hickling,
            J. Stringer and J.K. Friend

4 Local Government Operational Research Unit
  Royal Institute of Public Administration
  201 King's Road
  Reading, RG1 4LH
  England

  Area: Systems Analysis

  Contact: Mr. Brian Whitworth, Director

International

1 International Union of Local Authorities
  Europinform
  45 Wassenarseweg
  The Hague
  Netherlands

  Contact: Mr. G.G. van Putten, Secretary General

71 One of the research aims of the Queen's Project Team in the past three years has been to contact as many other major local government management improvement projects as possible and to become familiar with them. Through this research the Team has been able to learn from the successes of others and glean from them a number of ideas which are being used in the LGMP.

Listed below are some of the Project Team's contacts in various municipalities, along with a note about their endeavours. Contacts in local government related organizations and associations may be found in Part III - 7.

The individuals listed below have been roughly grouped according to major field of activity even though some should actually be included under two or more headings. These people have been most generous to the Project Team with their time and information and would be receptive to any requests from interested parties. Further information on these and other projects is also available from the Project Team.

Goal Setting

1 Dr. Bryghte D. Godbold
   Staff Director
   Goals for Dallas
   One Main Place
   Dallas, Texas

   While being the major cog in the Goals for Dallas program, Dr. Godbold is also perhaps the foremost authority on municipal broad goal setting programs.

   He is currently helping to organize the Citizen Involvement Network, a network of municipalities which are involved, or desire to become involved, in community goals programs, with an aim toward sharing information and experiences. (See entry No. 5 below).

   A large number of municipalities have initiated goal setting efforts based on the Dallas experience. Contacts in three such programs are listed below.

2 Mr. Marion H. Ward
   Executive Director
   Dimensions for Charlotte-Mecklenburg
   Suite 209 Executive Park
   McDowell at Baxter Streets
   Charlotte, North Carolina 28202

3 Mr. Allen M. Johnson
   President, 'Choices for 76'
   Goals Foundation for Metropolitan New Orleans
   1029 Maritime Building
   203 Carondelet Street
   New Orleans, Louisiana 70130

4 Mr. Charles E. Venus
   Executive Director
   Goals for Central Arkansas
   1119 Worthen Bank Building
   Little Rock, Arkansas 72201

5 Mr. Jack Gentry
   Citizen Involvement Network
   1211 Connecticut Ave. N.W.
   Washington, D.C. 20036

   The Citizen Involvement Network is a network of municipalities which are involved or desire to become involved in community goals programs, with an aim toward sharing information and experiences. Mr. Gentry will supply additional information to the interested reader.

Performance Measurement

1 Mr. Tom Finnie
   Director of Information Systems
   Division of Budgets
   Metropolitan Government of Nashville and Davidson County
   200 Courthouse
   Nashville, Tennessee 37201

   Mr. Finnie is the best person to contact concerning the Urban Institute — ICMA performance measurement project as it pertains to Nashville-Davidson.

2 Mr. George P. Barbour
   Project Director
   Service Management System
   City Hall
   Palo Alto, California 94301

   Palo Alto has implemented a project involving goal and objective setting by municipal officials, aimed at improving the identification of municipal service needs, the determination of the types of services required to meet these needs, and the evaluation of both the efficiency and effectiveness of the municipal services provided.

   The 140 page handbook on the project may be borrowed from the Project Team or obtained from Mr. Barbour.

3 Mr. Alan Jaffrey
Director, Management Services
Bureau of the Budget
Municipal Building
Room 1006
New York, N.Y. 10007

Since the early Seventies, New York City has been
involved in a 'Productivity Program' which seeks to
quantify and measure the output and efficiency of
local government programs and employees. Mr. Jaf-
frey is the person to contact regarding this effort.

4 Mr. Samuel A. Finz
Director
Office of Research and Statistics
County Offices
Fairfax County
Virginia

Fairfax County is a leading local government in the
area of productivity measurement, using a system
somewhat similar to New York City's Productivity
Program.

5 Mr. Thomas P. Hoey, Chief
Resource Management Improvement Division
Room 423, District Building
14th & E Streets N.W.
Washington, D.C. 20004

The Government of the District of Columbia is using
a performance monitoring system in which program
managers set goals and quantified program objec-
tives, and periodically report to the central govern-
ments and the public on progress towards the objec-
tives.

Mr. Hoey's division has done some important work
in developing and refining measures of effectiveness
and efficiency.

6 Ms. Alice Amrhein
Project Director
Multi-Municipal Productivity Project
One West Street
Mineola, N.Y. 11501

This project, involving four local government or-
ganizations on Long Island, is one of the major pro-
jects currently underway in the U.S. in the field of
productivity measurement and improvement.

Management Information Systems

1 Mr. John Dever
City Manager
P.O. Box 607
Sunnyvale, California 94088

Sunnyvale is a leading municipality in the fields of
computerized management information systems and
resource allocation analysis through the use of goals,
objectives and performance indicators.

2 Mr. Kenneth L. Kraemer
c/o Long Island University
USAC Project
Nine Possum Hollow Lane
Natick, Massachusetts 01760

USAC (Urban Information Systems Inter-Agency
Committee) is an important on-going project in the
municipal information systems area. Sponsored by
the U.S. Federal Government, it has worked to de-
velop integrated municipal information systems in
several American cities, and has published a number
of documentation reports.

Planning-Programming-Budgeting

1 Mr. Joe E. Mulloy
Budget Director
Budget and Research Department
City of Edmonton
7th Floor, CN Tower
Edmonton, Alberta T5J 0K1

Edmonton is a leading Canadian city in the area of
innovative budgeting, having begun a PPB system in
1974.

2 Mr. A.J. Hendry
Budget Officer
Budget Department
City of Calgary
Box 2100
Calgary, Alberta T2P 2M5

Calgary has been implementing a PPB system since
1973. The most recent five year program budget
makes some use of goals and objectives.

3 Mr. Frank S. Sexton
Deputy Director of the Programme Office
Director General's Department
The County Hall
London SE1 7PB
England

The Greater London Council has been at the fore-
front of many of the advances in local government
management. The Council is experienced in both PPB
and MBO and is currently engaged in implementing a
total corporate planning approach.

4 Mr. Jerry B. Coffman
Director
Office of Budget and Evaluation
City Hall
600 East Trade Street
Charlotte, North Carolina 28202

Charlotte is currently in the third year of a combined
PPB — MBO project. Their most recent budget, enti-
tled *Objectives FY'75*, illustrates the results of their
goal and objective setting.

5 Mr. Bill Gordon
Director, Budget and Research Department
City Hall
Fort Worth
Texas

The Budget and Research Department produces an
annual program budget, including goals, objectives
and measures of efficiency and effectiveness for each
department.

6 Mr. Charles E. Hill
Director, Budget and Research Department
City of Phoenix
251 West Washington St.
Phoenix, Arizona 85003

Phoenix produces an annual program budget which makes extensive use of goals and objectives.

7 Ms. Selma J. Mushkin
Director, Public Services Laboratory
3600 'M' Street N.W.
Georgetown University
Washington, D.C. 20007

Ms. Mushkin was one of the first researchers in the field of PPB and local government, heading up the '5-5-5' Project in the late 60's. She has remained an expert in this area and is most willing to be of assistance to local governments and other parties interested in this topic.

Organizational Development and Human Resource Management

1 Mr. Ron Parkinson
Personnel Department
City of Winnipeg
510 Main Street
Winnipeg, Manitoba R3B 1B9

Winnipeg has implemented a management inventory system, begun in 1973, as the first step in a five phase organizational development program. Information about the management personnel of the City was systematically collected and analyzed to provide direction in developing appropriate plans and training programs to improve their skills and effectiveness.

2 Mr. Kell Antoft
Assistant Executive Director
Institute of Public Affairs
Dalhousie University
Halifax, Nova Scotia

The Institute of Public Affairs has been active for many years in the field of municipal training programs. Recently they have been commissioned to develop training programs specifically for municipal officers in Nova Scotia, New Brunswick and Prince Edward Island.

3 Dr. F. Gerald Brown, Program Co-ordinator
Center for Management Development
School of Administration
University of Missouri-Kansas City
5100 Rockhill Road
Kansas City, Missouri 64110

Dr. Brown has instituted, and is carefully researching and documenting, a project involving the implementation of organizational development concepts in five suburban municipal organizations.

4 Mr. James R. Stewart
Budget and Systems Department
27th Floor, City Hall
Kansas City, Missouri 64106

Mr. Stewart is implementing an innovative management system involving performance measurement and organizational change techniques and is focusing on team planning and performance in several departments in Kansas City.

Planning

1 Mr. M.E. MacLean
Chief Administration Officer
Tht Corporation of the City of London
P.O. Box 5035
London, Ontario

The City of London is undertaking a sector planning process that has resulted in a preliminary study called, The West London District Plan. Extensive citizen participation in a number of neighbourhood meetings contributed toward the development of the plan. Future studies are planned for other areas of the city.

2 Mr. R.N. Line
City Manager
City of Fort Worth
1000 Throckmorton St.
Fort Worth, Texas 76102

Fort Worth is implementing an innovative sector planning process involving widespread citizen participation.

3 Mr. J.D. Hender
Chief Executive and Town Clerk
Council House
Coventry CV1 5RR
England

Coventry is one of the leading municipalities in England in the field of corporate planning. Program budgeting has now been incorporated into the municipality's management system. Coventry's experience has been well documented both by the city and by the Institute of Local Government at the University of Birmingham.

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Management by Objectives

1 Mr. Edward V. Easter
   Management Research Officer
   City of Burbank
   P.O. Box 6459
   Burbank, California 91510

Burbank is one of the American municipalities most involved with management by objectives. Managers in every department set objectives for the year and report on their progress annually. The city has developed detailed position charters which describe key objectives, functional performance areas and standards for all management positions.

Several other municipalities have implemented an MBO system in some or all departments. Below are listed contacts in five of these municipalities, along with the extent to which MBO is being used in each.

2 Mr. Forrest Warren
   Adviser to the City Manager
   City of Pasadena
   100 North Garfield Avenue
   Pasadena, California

All departments.

3 Mr. Richard A. Zais
   Administrative Assistant
   Office of the City Manager
   City Hall
   Yakima, Washington 98901

All departments.

4 Mr. R.A. Smith
   Project Co-ordinator
   Planning Bureau, Police Department
   1300 First Avenue North
   St. Petersburg, Florida 33705

Police department only.

5 Chief Victor I. Cizanckas
   Police Department
   Civic Center
   Menlo Park, California 94025

Police department only

6 Mr. H. Rex Vaughan
   Chief Program Analyst
   Department of Finance
   400 County Administration Building
   Fulton County
   Atlanta, Georgia

Several selected departments.

Urban Management (Canada)

1 Mr. David R. Dunlop
   Co-ordinator
   Urban Management Training and Services Program
   Ministry of State for Urban Affairs
   373 Sussex Drive
   Ottawa, Ontario K1N 6Z2

The Urban Management Training and Services Program provides federal assistance and expertise in collaboration with the provinces, municipal and urban-oriented associations. It institutes a program of training and services for urban executives, managers and administrators in an effort to improve the efficiency and effectiveness of urban management in Canada.

2 Mr. T.J. Plunkett
   Director
   Institute of Local Government
   Queen's University
   Kingston, Ontario

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The Institute of Local Government is involved in a wide range of work including research, seminars for local government managers and a project entitled 'Continuing Education Materials on Urban Management Principles and Practices'. The latter is an eighteen month Federal Government sponsored undertaking to prepare material and develop a course for continuing education in urban management, and to develop a monograph series on Canadian urban local government.

3 Mr. E.A. Gomme
   Director
   Advisory Services Branch
   Ministry of Teasury, Economics and Intergovernmental Affairs
   56 Wellesley St. W., 6th Floor
   Toronto, Ont. M7A 1Y7

The Advisory Services Branch provides advice and assistance to elected representatives and appointed staff of municipalities, local boards, commissions, and to the general public on all matters of concern to local government. The Branch is always involved in several innovative projects in its effort to promote effective organization and management practices in local government.

4 Mr. Allan O'Brien
   Director, Urban/Regional Program
   Department of Political Science
   Social Science Centre
   University of Western Ontario
   London, Ontario

Mr. O'Brien has set up a special diploma program in public administration designed specifically for municipal officials in mid-career who want to develop and sharpen their management skills. The two core courses in this program are 'Local and Regional Politics, Administration and Change', and 'Local and Regional Planning and Administration'. Mr. O'Brien is also building up an excellent library of research materials relating to these courses.

The Local Government Management Project is described in a 21 page document entitled Project Overview Statement. This appendix contains three sections taken from the Statement. These sections are: Project Highlights, Project Publications, and Publication Order Form. Copies of the Project Overview Statement can be ordered by using the order form found on the last page of this publication.

Project Highlights

Project Goal

The goal of the Project is to assist those involved with the delivery of local government services to improve the operation of local government through the use of a broadly conceived system of goals and objectives.

Project Objectives

The main objectives are to develop, document, and evaluate by March 1978, in co-operation with the Ministry and the four project municipalities, a broadly conceived system of goals and objectives which will provide suggested guidelines for the development of similar systems in local government organizations in Ontario and elsewhere.

Project Description

The Local Government Management Project is a four year project designed to implement a broadly conceived goal and objective setting system in four Ontario municipalities, and to document and study the implementation experiences.

Goal and Objective Setting — A Definition

A system of goals and objectives is a system of planning and review wherein overall goals and objectives are specified for the municipality for an agreed upon period of time. In turn, these are translated into specific objectives for the various departments and other agencies, as well as individual managers within the municipality. At various times during the period the attained objectives are compared to the original or revised objectives for purposes of determining progress toward expected results.

Participating Municipalities

Four municipalities are participating in the Project. They are:

- [ ] The City of London, A City with a population of 240,000 which uses a Council-Board of Control-Chief Administrative Officer structure.

- [ ] The City of St. Catharines. A City with a population of 120,000 using a Council-City Administrator structure.

- [ ] The City of Ottawa. A City of 300,000 using a Council-Board of Control-Commissioner structure.

- [ ] The Regional Municipality of Niagara. A regional government, incorporated in 1970, encompassing 12 area municipalities with a total population of 350,000, using a Regional Council-Committee structure.

Initiating Agency

The Project was initiated and is being co-ordinated by the Advisory Services Branch, Ministry of Treasury, Economics and Intergovernmental Affairs, Province of Ontario. The Ministry is primarily concerned with seeing that the experiences of the four project municipalities are documented and made available to other municipalities. In addition, the Ministry has appointed liaison personnel for each of the project municipalities.

Project Team

The implementation and evaluation of the goal and objective setting system is being carried out by a team from the School of Business, Queen's University. The Project Principals, V.N. MacDonald and J.R. Nininger, have studied the use of goal and objective setting systems in municipalities in North America, England and Europe for the past three years. The Project Team consists of a staff of four full-time and three part-time individuals in addition to the Project Principals.

Project Leader and Task Force

Each of the four municipalities has appointed a Project Leader to oversee the implementation of the goal and objective setting process. As well, each municipality has a Project Task Force to assist the Project Leader. The size, operating methods and membership of the Task Force, and the Project Leaders' responsibilities differ in each municipality.

Project Timetable

The approximate timetable for the Project is as follows:

March 1975

Completion of study of information systems, initial workshops in goal and objective setting at department level, and initial documentation.

March 1976

Completion of workshops at council (given council agreement) and sub-department level. Refinement of department level goals and objectives. Completion of second stage of documentation.

March 1977

Completion of objective setting at individual manager level. Refinement of goals and objectives at council, department and sub-department level. Completion of third stage of documentation.

March 1978

Refinement of objectives at all levels. Completion of documentation.

Documentation and Evaluation

One of the primary aims of the Project is to fully document the experiences of the four municipalities as they develop their own systems of goal and objective setting. Periodic reports will be issued reviewing the experiences and indicating lessons which have been learned. Another primary aim of the Project is to evaluate the effectiveness of the Project in meeting its goal and objectives.

Publications

A number of documents relating to various aspects of goal and objective setting have been written by the Project Team. These publications, which include technical papers, case studies, and the experiences of the project municipalities to date, are available through the Ontario Government Publications Centre.

Project Funding

The Project is being funded by the Ministry of Treasury, Economics and Intergovernmental Affairs and the four participating municipalities.

Project Publications

The investigations required for the design of this Project have led to a number of publications. As the Project proceeds and develops over the next four years, additional publications will be forthcoming — originating from the Project Team at the School of Business, Queen's University at Kingston. These publications will be available for purchase on the publication date indicated on the attached order form. Orders should be sent to the Ontario Government Publication Centre, Ministry of Government Services, 3B-7 MacDonald Block, Queen's Park, Toronto, Ontario, M7A 1N8.

Apart from the Project Overview Statement, the various publications have been grouped into four series.

Project Overview Statement

This paper describes the Project in overview fashion. It contains a statement of the goal and objectives of the Project, a description of the goal and objective setting process, and the documentation and evaluation processes to be used in the study. Price $1.00.

Series A Publications: Project Documentation and Evaluation

The purpose of this series of papers is to describe the experiences of the four project municipalities in the implementation of the system of goals and objectives. This series will also include papers outlining the design of the evaluation process, as well as periodic reports on the evaluation of the Project.

1 *The Initial Stages of the Project, 1972-1974.* This paper traces the Project from its inception in 1972 through various approval stages ending with the approval of the Project by each of the four participating municipalities. Price $2.00.

2 The Project Team has written a number of working papers on the design of the evaluation process being used to determine the effectiveness of the Project in achieving its stated objectives. These working papers can be obtained directly from the Project Principals at Queen's University.

Series B Publications: Technical Papers

The purpose of this series of papers is to present reasonably concise descriptions of broad areas of municipal management and administration as they relate to various aspects of the Project. These papers, which describe the state of practice and experimentation of the various areas, have been written for elected and appointed local government officials.

1 *Broad Goal Setting.* A review of the area of broad community goal setting including examples. Annotated bibliography. Price $2.00.

2 *Performance Measurement.* An examination of the topic of performance measurement including examples of indicators in use in a number of municipalities. Annotated bibliography. Price $2.00.

3. *Organizational Development.* This paper describes the general field of organizational development in municipalities and summarizes the experiences of one particular municipality with a behaviourally oriented change program. Annotated bibliography. Price $2.00.

4 *Goal and Objective Setting in Municipalities.* A description of the topic of goal and objective setting in municipalities, including examples. Annotated bibliography. Price $2.00.

Series C Publications: Case Studies

The purpose of this series is to describe various municipal experiences with programs related to the goal and objective setting process. The case studies are suitable for instructional purposes to focus discussion on the broad areas which the cases represent.

1 *Goals For Dallas 'A'.* The Dallas, Texas experience with broad goal setting involving extensive public participation. The 'A' case reviews the program from its inception in 1965 to 1972. Price $2.00.

2 *Goals For Dallas 'B'.* The Dallas, Texas experience with broad goal setting involving extensive public participation. The 'B' case examines the program from 1972 to 1974. Price $2.00.

3 *Thunder Bay 'A'.* This case traces the introduction of an organizational development program in an Ontario municipality. The 'A' case describes the program from its inception in 1972 through 1973. Price $2.00.

4 *Thunder Bay 'B'.* This case describes the organizational development program from 1973 to 1974. The case reviews an evaluation session conducted two years into the training to assess the work of the program. Price $2.00.

Series D Publications: Periodic Papers

The purpose of these papers is to describe various aspects of the Project which are felt to be of interest to municipalities contemplating the introduction of a system of goals and objectives.

1 *Developments in the Management of Local Government — A Review and Annotated Bibliography.* This paper was prepared to provide local government managers and elected representatives with a description of current developments in the field of local government. The paper describes ten areas of development in the management of local government and supplies annotated bibliographies of books, articles and reports dealing with these areas. Price $2.00.

**Local Government
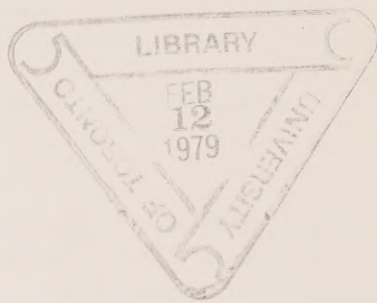Management Project**

Publication
Order
Form

This order form can be used to order publications of the Local Government Management Project. Enclose payment with this order form. Make cheques payable to Treasurer of Ontario.

Orders should be forwarded to:

Ontario Government Publications Centre
Ministry of Government Services
3B-7 MacDonald Block
Queen's Park
Toronto, Ontario
M7A 1N8

Publication Title	Publication Date	Price	No. Copies	Total Price
Project Overview Statement	December 1974	$1.00	————	————
Series A Publications: Documentation and Evaluation				
Phase I Documentation	March 1976	$2.00	————	————
Phase II Documentation	Forthcoming	$2.00	————	————
Series B Publications: Technical Papers				
Broad Goal Setting	Forthcoming	$2.00	————	————
Performance Measurement	Forthcoming	$2.00	————	————
Organizational Development	Forthcoming	$2.00	————	————
Goal and Objective Setting	Forthcoming	$2.00	————	————
Series C Publications: Case Studies				
Goals For Dallas 'A'	May 1975	$2.00	————	————
Goals For Dallas 'B'	May 1975	$2.00	————	————
Thunder Bay 'A'	Forthcoming	$2.00	————	————
Thunder Bay 'B'	Forthcoming	$2.00	————	————
Series D Publications: Periodic Papers				
Developments in the Management of Local Government	December 1975	$2.00	————	————
	TOTAL ORDER		————	————

Publications should be sent to:

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Queen's
University
at Kingston

Ontario

Ministry of Treasury
Economics and
Intergovernmental
Affairs